

STATE OF CALIFORNIA

CALIFORNIA LAW REVISION COMMISSION

RECOMMENDATION

Comprehensive Power of Attorney Law

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February 1994

California Law Revision Commission
4000 Middlefield Road, Suite D-2
Palo Alto, CA 94303-4739

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This report will appear in Volume 24 of the Commission's *Reports, Recommendations, and Studies*.

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NOTE

This report includes an explanatory Comment to each section of the legislation enacted on Commission recommendation. The Comments are written as if the legislation were already operative, since their primary purpose is to explain the law as it will exist to those who will have occasion to use it after it is operative.

Cite this report as *Comprehensive Power of Attorney Law*, 24 Cal. L. Revision Comm'n Reports 111 (1994).

STATE OF CALIFORNIA

PETE WILSON, Governor

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February 10, 1994

To: The Honorable Pete Wilson
Governor of California, and
The Legislature of California

This recommendation proposes a new comprehensive Power of Attorney Law in the Probate Code. The new law would replace the incomplete and disorganized collection of power of attorney statutes currently located with the other agency rules in the Civil Code. The new law would apply to all durable powers of attorney, including durable powers of attorney for health care, statutory form durable powers of attorney for health care, and uniform statutory form powers of attorney, and to any other power of attorney that incorporates its provisions.

The new law provides more detailed rules concerning matters such as the creation, modification, and termination of powers of attorney, the authority, duties, and rights to compensation of attorneys-in-fact, the immunities and responsibilities of third persons dealing with attorneys-in-fact, and judicial proceedings concerning powers of attorney.

This recommendation was prepared pursuant to Resolution Chapter 37 of the Statutes of 1980, continued in Resolution Chapters 31 and 96 of the Statutes of 1993.

Respectfully submitted,

Sanford M. Skaggs
Chairperson

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COMPREHENSIVE POWER OF ATTORNEY LAW

BACKGROUND

The statutes governing powers of attorney are in need of reorganization and revision.¹ Since 1979, several bills have been enacted recognizing general durable powers of attorney and durable powers of attorney for health care, providing statutory forms, specifying a procedure for enforcement of the duties of attorneys-in-fact, and making a number of other changes in the law.² From the beginning of these reforms, the

1. Power of attorney statutes consist of the following: Civ. Code §§ 2400-2407 (Uniform Durable Power of Attorney Act), 2410-2423 (court enforcement of duties of attorney-in-fact), 2430-2444 (durable power of attorney for health care), 2450 (statutory short form power of attorney), 2475-2499.5 (Uniform Statutory Form Power of Attorney Act), 2500-2508 (statutory form durable power of attorney for health care), 2510-2513 (miscellaneous provisions relating to powers of attorney). See also Civ. Code §§ 2019-2022, 2295-2357 (general rules relating to agency); Prob. Code § 3720 (federal absentee's power of attorney).

2. Almost all of the legislation in this area was enacted on recommendation of the Law Revision Commission:

Recommendation Relating to Uniform Durable Power of Attorney Act, 15 Cal. L. Revision Comm'n Reports 351 (1980) (enacted as 1981 Cal. Stat. ch. 511). For legislative history, see 16 Cal. L. Revision Comm'n Reports 25 (1982); *Report of Senate Committee on Judiciary on Assembly Bill 329*, 16 Cal. L. Revision Comm'n Reports 43 (1982).

Recommendation Relating to Durable Power of Attorney for Health Care Decisions, 17 Cal. L. Revision Comm'n Reports 101 (1984) (enacted as 1983 Cal. Stat. ch. 1204). For legislative history, see 17 Cal. L. Revision Comm'n Reports 822 (1984); *Report of Assembly Committee on Judiciary on Senate Bill 762*, 17 Cal. L. Revision Comm'n Reports 889 (1984).

Recommendation Relating to Statutory Forms for Durable Powers of Attorney, 17 Cal. L. Revision Comm'n Reports 701 (1984) (enacted as 1984 Cal. Stat. chs. 312 & 602). For legislative history, see 18 Cal. L. Revision Comm'n Reports 18 (1986); *Report of Assembly Committee on Judiciary on Senate Bill 1365*, 18 Cal. L. Revision Comm'n Reports 45 (1986).

power of attorney statutes have been added to the part of the Civil Code relating to agency. A shortage of available section numbers in this part of the Civil Code, in league with the piecemeal nature of the revisions over the past 12 years, has resulted in a disorganized set of statutes. In some cases it is difficult to determine whether a particular provision applies to all powers of attorney, to durable powers generally, or only to health care powers. The degree to which the different varieties of powers of attorney are subject to the general agency rules is unclear. In addition, the general agency statutes are obscure and incomplete.³ They provide little

Recommendation Relating to Durable Powers of Attorney, 18 Cal. L. Revision Comm'n Reports 305 (1986) (enacted as 1985 Cal. Stat. ch. 403). For legislative history, see 18 Cal. L. Revision Comm'n Reports 216 (1986); *Communication from California Law Revision Commission Concerning Senate Bill 1270*, 18 Cal. L. Revision Comm'n Reports 379 (1986).

Recommendation Relating to Springing Powers of Attorney, 20 Cal. L. Revision Comm'n Reports 405 (1990) (enacted as part of 1990 Cal. Stat. ch. 986). For legislative history, see 20 Cal. L. Revision Comm'n Reports 2220 (1990).

Recommendation Relating to Uniform Statutory Form Power of Attorney Act, 20 Cal. L. Revision Comm'n Reports 415 (1990) (enacted as part of 1990 Cal. Stat. ch. 986). For legislative history, see 20 Cal. L. Revision Comm'n Reports 2220 (1990); *Report of the California Law Revision Commission on Chapter 986 of the Statutes of 1990 (Senate Bill 1777)*, 20 Cal. L. Revision Comm'n Reports 2291 (1990).

Recommendation Relating to Elimination of Seven-Year Limit for Durable Power of Attorney for Health Care, 20 Cal. L. Revision Comm'n Reports 2605 (1990) (enacted as 1991 Cal. Stat. ch. 896). For legislative history, see 21 Cal. L. Revision Comm'n Reports 22 (1991).

The initial authorization in 1979 for a durable power provided only for a power lasting for one year following the principal's disability. See 1979 Cal. Stat. ch. 234 (enacting Civ. Code § 2307.1, repealed by 1981 Cal. Stat. ch. 511, § 1). Civil Code Section 2307.1 was superseded by enactment of the California version of the Uniform Durable Power of Attorney Act (1979) in 1981. See *Recommendation Relating to Uniform Durable Power of Attorney Act*, 15 Cal. L. Revision Comm'n Reports 351, 359-60 (1980).

3. See Civ. Code §§ 2019-2022, 2295-2357. Of the 51 agency sections appearing in the Civil Code of 1872, only four have been revised in 120 years. Drawn from the Field Civil Code proposed in New York (but never enacted), the

practical guidance to individuals attempting to resolve issues that may arise in connection with powers of attorney relating to their private affairs.⁴

Durable powers of attorney are an increasingly important tool in ordering private affairs, resulting in special legislative attention in several other jurisdictions, as in California.⁵ A

1872 Code was prepared by revisers who “felt themselves under ‘lash and spur’” to prepare a bill before the 1872 legislative session and who reported that they felt “embarrassment” in this revision. Revision Commission, *Final Note*, [Proposed] Revised Laws of the State of California in Four Codes: Civil Code 609 (1871). The Civil Code of 1872 was the subject of an unrelenting attack by Professor Pomeroy who argued in 1884 that the Revision Commission had created a great source of doubt, uncertainty, and error by the “constant, but wholly unnecessary practice, of abandoning well-known legal terms and phrases ... and of adopting instead thereof an unknown and hitherto unused language and terminology.” Quoted in Van Alstyne, *The California Civil Code*, in 6 West’s Ann. Cal. Codes: Civil Code 1, 30 (1954). Pomeroy concluded that there was “hardly a definition, or a statement of doctrine in the whole work, the full meaning, force and effect of which can be apprehended or understood without a previous accurate knowledge of the common law doctrines and rules on the same subject matter.” *Id.*

4. Many of the general agency statutes are concerned with ratification and ostensible authority, matters that are either irrelevant or handled differently in the power of attorney statutes. The general agency statutes overlap and seem at cross-purposes in some instances, such as Civil Code Sections 2019 (agent cannot exceed authority), 2315 (agent has authority conferred), 2319 (agent’s necessary authority), 2320 (agent’s power to disobey), and 2322 (limits on general authority). The language of many of these rules is so general and abstract as to provide almost no guidance at all. See Civ. Code §§ 2298-2300, 2315-2320.

5. Twenty-eight jurisdictions have adopted the Uniform Durable Power of Attorney Act in whole or substantial part. See 8A Unif. L. Ann. at 309 (West 1993). Forty-seven states have adopted either the free-standing Uniform Durable Power of Attorney Act or the version provided in the Uniform Probate Code. See tables in Nat’l Conf. Comm. Unif. State Laws, 1993-94 Reference Book. Durable powers of attorney in some form are available in all fifty states and the District of Columbia. See generally Collin, Lombard, Moses, & Spitler, *Drafting the Durable Power of Attorney: A Systems Approach* 14 (2d ed. 1987).

A different approach has been taken in Illinois and Oregon where all powers of attorney are durable. See Ill. Ann. Stat. ch. 110 ¶ 802-5 (Smith-Hurd Supp. 1990); Or. Rev. Stat. Ann. § 127.005(1) (Supp. 1990), *as amended* 1993 Or. Laws ch. 767, § 25. For an overview of legislation nationally, see Collin, *Planning and Drafting Durable Powers of Attorney*, 15 Prob. Notes 27 (Am. C. Prob.

few states have enacted new comprehensive statutes that the Commission considered in the preparation of this proposed law. Of particular interest are the new statutes in Illinois (1987), Indiana (1991), Minnesota (1984), Missouri (1989), and Nebraska (1988).⁶

OVERVIEW OF PROPOSED LAW

Location of Proposed Law

The proposed comprehensive Power of Attorney Law restructures the power of attorney statutes and relocates them as a new Division 4.5 in the Probate Code, starting with Section 4000.⁷ Relocating the power of attorney statutes in the Probate Code reinforces the estate planning nature of the durable power of attorney, and assists in distinguishing

Couns. 1989); Vignery, *Legislative Trends in Nonjudicial Surrogate Health Care Decision Making*, 23 Clearinghouse Rev. 422 (1989).

6. See Ill. Ann. Stat. ch. 110 ¶¶ 802-1 to 802-11 (Smith-Hurd Supp. 1990); Ind. Code Ann. §§ 30-5-1-1 to 30-5-12-8 (West Supp. 1993); Minn. Stat. Ann. §§ 523.01-523.25 (West 1991 & Supp. 1994); Mo. Ann. Stat. §§ 404.700-404.735 (Vernon 1990 & Supp. 1993); Neb. Rev. Stat. §§ 49-1501 to 49-1561 (1988); see also Burns, *New Power of Attorney Statute*, 41 Bench & Bar of Minn., Dec. 1984, at 9; Eickhoff, *New Durable Power Law and Custodial Trust Act Amendments*, 45 J. Mo. B. 329 (1989); Kolb, *Indiana Power of Attorney Act*, 25 Ind. L. Rev. 1345 (1992); Missouri Bar Ass'n, *Missouri Probate and Trust Update — 1989*, at 123-70; Zartman, *Illinois Power of Attorney Act*, 13 S. Ill. U.L.J. 1 (1988).

7. Relocation to the Probate Code would continue a process that began in 1931 when the Probate Code was first created, mainly from pieces of the Civil Code. See Turrentine, *Introduction to the California Probate Code*, 52 West's Annotated California Codes: Probate Code 1, 27-30 (1954). This process has continued in recent years. Enactment of the Trust Law in 1986 removed several parts of the Civil Code to the Probate Code. See 1986 Cal. Stat. ch. 820; *Selected 1986 Trust and Probate Legislation*, 18 Cal. L. Revision Comm'n Reports 1201 (1986). Most recently, the power of appointment statute was relocated from the Civil Code to the Probate Code. See 1992 Cal. Stat. ch. 30; *Relocation of Powers of Appointment Statute*, 21 Cal. L. Revision Comm'n Reports 91 (1991). Many other pieces of the Civil Code have been removed in the process of spawning other codes, such as the Commercial Code, Corporations Code, Family Code, Financial Code, Insurance Code, Labor Code, and Water Code.

powers of attorney executed for personal reasons from powers of attorney used in business transactions. A durable power of attorney may serve as an alternative to a conservatorship — hence placing the new statutes following the guardianship-conservatorship law is appropriate. Under existing law, the power of attorney statutes are currently related to probate law inasmuch as the judicial review provisions apply Probate Code procedures.⁸

Relation to General Agency Law

Under this proposal, the power of attorney statutes are not completely severed from the general agency rules. Useful rules from the general agency provisions have been worked into the fabric of the proposed law, in the interest of providing a relatively complete statute.⁹ However, powers of attorney are a type of agency and would remain subject to the general law of agency, except to the extent that the Power of Attorney Law provides its own rules. The general rules concerning agency in the Civil Code remain largely untouched, with only a few conforming revisions required to remove material relevant exclusively to powers of attorney.¹⁰

Scope of Revision

The great majority of changes that would be made by the proposed law concern the law relating to powers of attorney for property — i.e., powers other than durable powers of attorney for health care — because these statutes are incom-

8. See Civ. Code §§ 2413, 2417(e).

9. See, e.g., proposed Prob. Code §§ 4120 (continuing Civ. Code § 2296 requirement that principal have capacity to contract), 4153 (drawn from termination rules in Civ. Code §§ 2355-2356), 4205 (consistent with delegation rules in Civ. Code § 2349), *infra*.

10. See proposed amendments to Civ. Code §§ 2355-2357, *infra*.

plete and disorganized.¹¹ Much of the proposed legislation is directed toward supplying more detailed rules and filling gaps in existing coverage, rather than making any major substantive revisions.

The scope of the proposed law is broad, but not unlimited. It applies to durable powers of attorney (including durable powers of attorney for health care), statutory form powers of attorney, and any other power of attorney that incorporates or refers to the Power of Attorney Law. A power of attorney is defined as a written agency agreement executed by a natural person that grants powers to an attorney-in-fact, and a durable power is one that survives the incapacity of the principal. The effect of these provisions is to avoid unintentional application of the Power of Attorney Law to powers of attorney commonly used in business dealings.

The proposed law generalizes certain rules to apply to all powers of attorney covered by the statute, whether for property matters, personal care, or health care. Rules concerning execution, termination, revocation of authority, and the like would apply to all powers covered by the statute, thereby achieving a greater consistency in the law. The statutes relating to durable powers of attorney for health care¹² and powers under the Uniform Statutory Form Power of Attorney Act¹³ would remain largely self-contained, with only minor technical changes to conform to the restructured statute.

The Commission has not made a substantive review of the statutes concerning the durable power of attorney for health

11. "Power of attorney for property" is used in this discussion to refer to all powers of attorney other than durable powers of attorney for health care, even though the power may include personal care authority.

12. See Civ. Code §§ 2430-2445 (durable power of attorney for health care), 2500-2508 (statutory form durable power of attorney for health care); see also Civ. Code §§ 2410-2423 (court enforcement of duties of attorney-in-fact), 2511 (identity of principal).

13. Civ. Code §§ 2475-2499.5.

care in connection with this study. The Commission has focused on improving the statutes concerning property powers, which have never before been the object of a comprehensive study. In addition, it would have been premature to undertake a detailed review of the health care power statutes before the National Conference of Commissioners on Uniform State Laws completed its work on the Uniform Health-Care Decisions Act.¹⁴ In making this recommendation, the Commission does not express any opinion concerning whether the statutes relating to durable powers of attorney for health care should be revised in the future, nor should the proposed reorganization of the power of attorney statutes in the Probate Code be taken as an indication that the health care power statutes would not benefit from further study and revision.

GENERAL RULES

Default Rules Subject to Limitations in Power of Attorney

The proposed law makes clear that many statutory rules are default rules subject to limitations in the power of attorney. Thus, where the statute does not provide otherwise, the principal may limit or nullify a default statutory rule by a specific provision in the instrument or by providing an inconsistent provision. For example, the principal may impose greater or lesser duties on the attorney-in-fact, may provide special rules concerning modification or termination of the power of attorney or the authority of the attorney-in-fact, or may determine the rate of compensation of the attorney-in-fact or provide for no compensation. On the other hand, the proposed law does not permit certain rules to be limited by the principal. Thus,

14. The new uniform act was approved in mid-1993, which did not leave sufficient time to undertake a review of the health care power statute and related statutes without delaying the needed reform of the property powers and overall organization for at least another year.

the power of attorney cannot waive statutory qualifications for the attorney-in-fact or witnesses, alter operative date rules or required contents of forms or warnings, or change the rules protecting third persons from liability.

Creation of Power of Attorney

The proposed law provides general rules governing creation of a power of attorney. As under existing law, a power of attorney must be in writing and signed by the principal or at the principal's direction.¹⁵ There is no requirement that the attorney-in-fact sign the instrument. The proposed law generalizes the requirement that a power of attorney be dated, which applies under existing law only to the durable power of attorney for health care and the statutory form power.¹⁶ Including the date of execution is essential to determining whether the principal had capacity to execute the power and also aids in determining which is the later of two conflicting powers of attorney.

In addition, the proposed law requires as a general rule that powers of attorney be either acknowledged before a notary public or signed by two witnesses.¹⁷ This requirement is drawn from the execution requirements applicable to non-

15. Civ. Code §§ 2400; Montgomery & Wright, in *Durable Powers of Attorney for Property Management*, 1991 California Durable Power of Attorney Handbook § 2.47, at 56 (Cal. Cont. Ed. Bar). There is no explicit general requirement in the statutes that a power of attorney be signed. The statutory forms require the principal's signature. See Civ. Code § 2475 (Uniform Statutory Form Power of Attorney); see also Civ. Code § 2500 (statutory form durable power of attorney for health care).

16. See Civ. Code §§ 2475 (uniform statutory form), 2432(a)(2) (durable power of attorney for health care), 2500, 2502 (statutory form durable power of attorney for health care), 2503 (printed form durable power of attorney for health care).

17. Witnessing would not be an option under the Uniform Statutory Form Power of Attorney, in the interest of consistency with the uniform form used in other states.

form durable powers of attorney for health care.¹⁸ The witnessing or acknowledgment requirement is intended to provide a protective level of formality for durable powers of attorney.¹⁹ Acknowledgment before a notary public is needed to facilitate recording a power of attorney in transactions affecting real property.²⁰ The principal is given the alternative of witnessing in the interest of flexibility, and in recognition of the fact that a notary is not needed if a power of attorney does not pertain to real property and in some situations may not be available.

Qualifications of Attorney-in-Fact

Existing law imposes no particular qualifications on who may be an attorney-in-fact under a power of attorney for property,²¹ although special restrictions apply in the case of a durable power of attorney for health care.²² At a minimum, the attorney-in-fact should be a person with the capacity to

18. See Civ. Code § 2432(a)(3) (durable power of attorney for health care). The requirement that the statutory form durable power of attorney for health care be signed by two witnesses, rather than notarized, is retained in the proposed law. See Civ. Code §§ 2500, 2502 (statutory form durable power of attorney for health care), 2503 (printed form durable power of attorney for health care). The Commission has not undertaken a reexamination of the statutory form durable power of attorney for health care.

The proposed law does not continue the rule requiring that at least one of the witnesses to a durable power of attorney for health care must be a person who would not take property from the principal by will or intestate succession at the time the power of attorney is executed. See Civ. Code § 2432.

19. Newly revised statutes in other states commonly require notarization. See, e.g., Ind. Code Ann. § 30-5-4-1 (West Supp. 1993); Mo. Ann. Stat. § 404.705 (Vernon 1990). Minnesota requires notarization only when the principal signs by a mark or someone signs the power of attorney on behalf of the principal. Minn. Stat. Ann. § 523.01 (West Supp. 1994).

20. See Civ. Code §§ 1213, 1216.

21. Civil Code Section 2400 provides that a durable power of attorney designates "another" as attorney-in-fact for the principal. The general agency rules provide that "any person may be an agent." Civ. Code § 2296.

22. See Civ. Code §§ 2432(b)-(c), 2432.5, 2500 (¶ 1 of statutory form durable power of attorney for health care).

contract.²³ The proposed law provides that any person (including both natural persons and artificial entities)²⁴ having the capacity to make a contract may be an attorney-in-fact. The proposed law also makes clear that designation of an unqualified person as an attorney-in-fact does not affect the immunities of third persons nor the duties owed to the principal.

Duty To Act

The existing statutes are silent as to what obligation, if any, a person designated as an attorney-in-fact has to accept the position or what obligation there is to continue acting as attorney-in-fact. In the absence of an agreement, it appears under general agency principles that an attorney-in-fact is free to act or not to act, may refuse to act in future transactions after having acted in some matters, and can resign at will.²⁵ This is consistent with the idea that a power of attorney in a private relationship typically is an accommodation between friends or relatives. Many practitioners reportedly have the attorney-in-fact sign the power as a routine matter “to establish the attorney-in-fact’s acceptance of the authority granted by the principal and the concurrent responsibilities as an agent.”²⁶ The Uniform Statutory Form Power of Attorney provides that “by accepting or acting under the appointment,

23. Some commentators conclude that “a principal can appoint any mentally competent natural adult person who has not been deprived of his or her civil rights and can also appoint institutions.” Montgomery & Wright, in *Durable Powers of Attorney for Property Management*, 1991 California Durable Power of Attorney Handbook § 2.46, at 55-56 (Cal. Cont. Ed. Bar).

24. See Prob. Code § 56 (“person” defined).

25. See generally 2 B. Witkin, *Summary of California Law Agency and Employment* §§ 36-37, at 49-51, § 62, at 68 (9th ed. 1987).

26. Montgomery & Wright, *Durable Powers of Attorney for Property Management*, in 1991 California Durable Power of Attorney Handbook § 2.47, at 56 (Cal. Cont. Ed. Bar).

the agent assumes the fiduciary and other legal responsibilities of an agent.”²⁷

The situation is more formal with regard to trustees. Under the Trust Law, if a trustee accepts the trust, the trustee becomes subject to all applicable duties to administer the trust, cannot later refuse to act, and may resign only by following the procedures prescribed in the statute or the trust instrument. A trustee accepts by signing the trust instrument or knowingly exercising powers under the trust, except in emergency situations.²⁸ Once the trustee has accepted the trust, the trustee has a duty to administer the trust, which does not end until the trustee is removed or allowed to resign.²⁹

The tendency of modern statutes is to relieve the attorney-in-fact from any duty to exercise the authority granted.³⁰ The proposed law adopts this approach, making clear that no duty to exercise the authority conferred in the power of attorney arises merely from being designated as an attorney-in-fact.³¹ This rule applies whether or not the principal has become incapacitated, is missing, or is otherwise unable to act, unless the attorney-in-fact has agreed expressly in writing to act for

27. Civ. Code § 2475. The full implication of this statement is unknown. This language from the Uniform Statutory Form Power of Attorney Act was inadvertently stricken from the statute in the course of making a conforming revision in the form of the notary's certification. See 1993 Cal. Stat. ch. 141, § 2 [AB 346]. This language is restored in the proposed law.

28. Prob. Code § 15600. Provision is also made for rejecting a trust or modification of a trust. See Prob. Code § 15601.

29. See Prob. Code §§ 15640-15645 (resignation and removal), 16000 (duty to administer trust).

30. For example, the Illinois statute provides that the agent has no duty to exercise powers granted or to assume control of or responsibility for the principal's property, care, or affairs, regardless of the principal's physical or mental condition. Ill. Ann. Stat. ch. 110 ¶¶ 802-7 (Smith-Hurd Supp. 1990). See also Ind. Code Ann. § 30-5-6-1 (West Supp. 1993); Minn. Stat. Ann. § 529.21 (West 1991); Mo. Ann. Stat. § 404.705(4) (Vernon 1990).

31. This provision is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.705(4) (Vernon 1990).

the principal in certain circumstances. The attorney-in-fact's agreement is enforceable regardless of whether consideration is given. In addition, the proposed law provides, contrary to the trust rule, that acting for the principal in one or more transactions does not obligate the attorney-in-fact to act for the principal in later transactions, but the attorney-in-fact has a duty to complete a transaction that has been commenced.

These rules are intended to facilitate use of powers of attorney.³² It is believed that in the usual case the principal wants someone to have the ability to act if something needs to be done, but rarely would expect to impose a duty to act on a family member or friend where the person chooses not to act. If a potential attorney-in-fact believes that there is a legal duty to act, he or she may be reluctant to accept the designation in the first instance. Under the proposed rule, the attorney-in-fact may also merely wait until the situation arises and then determine whether to act. The attorney-in-fact may refuse to act because of the personal inconvenience at the time of becoming involved, or for any other reason, and is not required to justify a decision not to act. The attorney-in-fact may believe that there are others in a better position to act for the principal or that the situation really warrants appointment of a court supervised guardian or conservator. However, once the attorney-in-fact undertakes to act under the power of attorney, the transaction is governed by the fiduciary duties imposed in the law. But even where the attorney-in-fact has agreed in writing to act for the principal, the proposed law permits the attorney-in-fact to resign by giving notice to the principal (if the principal is competent), when a successor attorney-in-fact agrees in writing to serve in place of the resigning attorney-in-fact, or pursuant to a court order.

32. The following discussion draws on the Missouri Bar Association Comment to the new Missouri section. See Missouri Bar Ass'n, Missouri Probate and Trust Update — 1989, at 123-70.

Authority of Attorneys-in-Fact

The general agency statutes contain a number of statements concerning the power and authority of attorneys-in-fact,³³ but these statements are expressed in broad terms and in an artificial, legalistic language that is unlikely to be of much assistance to an attorney-in-fact under a power of attorney. By way of contrast, the Uniform Statutory Form Power of Attorney Act provides for grants of general powers that are amplified in highly detailed statutory language.³⁴ But if a principal sets out to draft his or her own power of attorney, the statute provides no real guidance on the extent of the attorney-in-fact's authority. An attorney-drafted power of attorney should provide the necessary powers, but this will not always be the case. By way of comparison, the settlor of a trust may rely on the general powers provided in the Trust Law.³⁵

The proposed law does not attempt to provide another statement of available powers. Instead, it fleshes out the

33. See, e.g., Civ. Code §§ 2318 (agent has “actually such authority” as provided by title on agency unless “specifically deprived thereof” by the principal), 2307 (authority may be conferred by “a precedent authorization or a subsequent ratification”), 2315 (“agent has such authority as the principal, actually or ostensibly, confers upon him”), 2316 (actual authority is that intentionally conferred on the agent or that the principal “intentionally, or by want of ordinary care, allows the agent to believe himself to possess”), 2317 (ostensible authority is what the principal “intentionally or by want of ordinary care, causes or allows a third person to believe the agent to possess”), 2319 (agent has authority to do “everything necessary or proper and usual, in the ordinary course of business, for effecting the purpose of his agency”), 2320 (agent has power to disobey instructions where “clearly for the interest of his principal that he should do so, and there is not time to communicate with the principal”), 2321 (“When an authority is given partly in general and partly in specific terms, the general authority gives no higher powers than those specifically mentioned.”), 2322 (general authority does not authorize the agent to act in his own name, unless it is in the usual course of business, to “define the scope of the agency,” or to violate basic fiduciary principles concerning loyalty, conflict of interest, or commingling).

34. See Civ. Code §§ 2475 (statutory form), 2485-2499.5 (construction of powers).

35. Prob. Code §§ 16200-16249.

meaning of a grant of general authority or limited authority to an attorney-in-fact. It also makes clear that an attorney-in-fact granted limited authority has the authority incidental, necessary, or proper to carry out the limited authority.³⁶ The proposed law also authorizes the incorporation of authority by reference to other provisions, such as the Uniform Statutory Form Power of Attorney Act, the guardianship-conservatorship law, or the Trust Law.

Some authority may be exercised by an attorney-in-fact only if the authority is expressly granted in the power of attorney, such as the power to create, fund, or revoke a trust, to make, revoke, or disclaim a gift, to change beneficiary designations, or to nominate a conservator for the principal.³⁷ There is also a set of powers that can never be exercised by an attorney-in-fact under a power of attorney: making, amending, or revoking a will, or consenting to certain health care procedures, such as convulsive treatment, psychosurgery, sterilization, and abortion.³⁸

Delegation of Attorney-in-Fact's Authority

Existing law is unclear on the extent to which an attorney-in-fact may delegate authority under a power of attorney for property. The power of attorney statutes are silent on the matter, but the general agency statutes permit delegation (1) if

36. This is comparable to the general agency rule in Civil Code Section 2319(1).

37. This provision is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.710(6) (Vernon 1990). It is not clear whether an agent may nominate a conservator under existing law. See Montgomery & Wright, *Durable Powers of Attorney for Property Management*, in 1991 California Durable Power of Attorney Handbook § 2.66, at 70 (Cal. Cont. Ed. Bar).

38. These limitations are generally consistent with the agency rule in Civil Code Section 2304 (actions to which principal is bound to give personal attention) and the limitations on guardians and conservators under Probate Code Sections 2356 (health care) and 2400 *et seq.* (estate matters).

the act is “purely mechanical,” (2) if the act cannot be performed by the attorney-in-fact but can be by the subagent, (3) if it is the “usage of the place” to delegate the authority, or (4) if the delegation is authorized by the principal.³⁹ Under these general rules, a subagent is not responsible to the principal, nor is the original attorney-in-fact responsible to third persons for the acts of a “lawfully appointed” subagent.⁴⁰ The language of these sections seems more appropriate to business agencies than to the type of power of attorney prepared by an individual to manage private affairs.

As the default rule, the proposed law permits delegation of mechanical acts. However, unlike the general agency rule, the original attorney-in-fact remains responsible to the principal for the exercise of the authority delegated.

General Duties of Attorneys-in-Fact

The power of attorney statutes do not provide any set of duties for the guidance of attorneys-in-fact, even though an attorney-in-fact will normally be a nonprofessional. The general agency statutes provide insufficient guidance. A few duties are scattered amongst the general agency statutes, such as the obligations not to exceed actual authority, to keep the principal informed, and not to commit fraud on the principal.⁴¹ The agency statutes also forbid violation of a number of duties applicable to trustees.⁴² Agents’ duties have been fleshed out by commentators and the courts by reference to

39. Civ. Code § 2349.

40. Civ. Code §§ 2022, 2350, 2351; see also Civ. Code § 2400.5 (proxy given by agent to exercise stock voting rights).

41. Civ. Code §§ 2019, 2020, 2306.

42. See Civ. Code § 2322(c), forbidding violation of duties of trustee under Prob. Code §§ 16002 (duty of loyalty), 16004 (duty to avoid conflict of interest), 16005 (duty not to undertake adverse trust), 16009 (duty to keep trust property separate and identified).

the Restatement on Agency and the duties of trustees.⁴³ But these sources will not be of much assistance to a friend or relative undertaking responsibilities under a durable power of attorney.

Other fiduciary laws typically provide a list of basic duties, such as the statutes applicable to guardians and conservators,⁴⁴ custodians under the Uniform Transfers to Minors Act,⁴⁵ personal representatives,⁴⁶ and trustees.⁴⁷ The Commission believes that it is appropriate to set out in the statute the basic duties of an attorney-in-fact under a power of attorney. The duties in the proposed law have been drawn from existing agency law, from the Trust Law, and from the relevant laws in other states. The proposed law provides a number of explicit duties: a duty of care and skill, a duty of loyalty, a duty to keep the principal's property separate and identified, a duty to keep the principal informed and follow instructions, a duty to consult with other persons designated by the principal, a duty to keep records of transactions on behalf of the principal, a duty to use special skills, and a duty to deliver property to appropriate persons on termination of the attorney-in-fact's authority.

Standard of Care

The existing agency rules do not provide a positive statement of a standard of care. The courts, however, have read the statutes to impose a fiduciary standard on attorneys-in-fact,

43. See, e.g., 2 B. Witkin, *Summary of California Law Agency and Employment* §§ 41, 43, 48 (9th ed. 1987); Montgomery & Wright, *Durable Powers of Attorney for Property Management*, in 1991 California Durable Power of Attorney Handbook §§ 2.64-2.67, at 67-71 (Cal. Cont. Ed. Bar).

44. See generally Prob. Code §§ 2350-2595

45. Prob. Code § 3912.

46. Prob. Code § 9600 *et seq.*

47. Prob. Code § 16000 *et seq.*

typically the standard applicable to trustees.⁴⁸ The standard of care for trustees has undergone revision from time to time since the general principle analogizing attorneys-in-fact to trustees was laid down.⁴⁹ Much of trust law is influenced by the skilled property management and investment services professional trustees are expected to provide.

The situation of a typical attorney-in-fact under a power of attorney for property is more analogous to a custodian under the Uniform Transfers to Minors Act⁵⁰ than to a trustee. Accordingly, the proposed law provides a nonprofessional fiduciary standard of care as a general rule. This standard requires the attorney-in-fact to observe the standard of care that would be observed by a prudent person dealing with property of another. If the attorney-in-fact is not compensated, the attorney-in-fact is not liable for losses to the principal's property unless the losses result from the attorney-in-fact's bad faith, intentional wrongdoing, or gross negligence. However, if the attorney-in-fact has special skills or was designated as an attorney-in-fact on the basis of representations of special skills, the attorney-in-fact is required to observe the standard of care that would be observed by those with similar skills.⁵¹

48. See cases cited in 2 B. Witkin, *Summary of California Law Agency and Employment* §§ 41 (9th ed. 1987).

49. For background, see *Selected 1986 Trust and Probate Legislation*, 18 Cal. L. Revision Comm'n Reports 1201, 1238-42 (1986).

50. See Prob. Code § 3912(b).

51. This rule is consistent with the general rule concerning expert fiduciaries stated in the cases. See the discussions in *Estate of Collins*, 72 Cal. App. 3d 663, 673, 139 Cal. Rptr. 644 (1977); *Coberly v. Superior Court*, 231 Cal. App. 2d 685, 689, 42 Cal. Rptr. 64 (1965); *Estate of Beach*, 15 Cal. 3d 623, 635, 542 P.2d 994, 125 Cal. Rptr. 570 (1975) (bank as executor); see also Prob. Code § 2401 Comment (standard of care applicable to professional guardian or conservator of estate); Prob. Code § 3912 Comment (standard of care applicable to professional fiduciary acting as custodian under California Uniform Transfers to Minors Act); Prob. Code § 16040 & Comment (standard of care applicable to expert trustee).

Compensation of Attorneys-in-Fact

Existing statutes provide no rules on compensation of attorneys-in-fact, except to say that consideration is not necessary to make an attorney-in-fact's authority binding on the principal.⁵² An attorney-in-fact is generally not expected to receive compensation, since the attorney-in-fact is usually a friend or member of the principal's family who accepts the designation as an accommodation.⁵³ The proposed law provides that the attorney-in-fact is entitled to reasonable compensation and to reimbursement of expenses.⁵⁴ This authority is comparable to the law applicable to compensation and reimbursement of trustees⁵⁵ and custodians under the Uniform Transfers to Minors Act.⁵⁶ The default right to compensation and reimbursement is subject to control in the power of attorney. It is believed that most attorneys-in-fact will serve without expecting compensation, but if the principal becomes incompetent and the attorney-in-fact is expected to incur substantial expenditures of time and money, compensation is entirely appropriate. In fact, omitting a right to compensation might result in the failure of a durable power of attorney to carry out its purpose, since the attorney-in-fact may be unwilling to continue without compensation and reimbursement.

52. Civ. Code § 2308. The statutory form power of attorney provides authority for the agent to reimburse expenditures properly made. Civ. Code § 2485(i).

53. See Montgomery & Wright, *Durable Powers of Attorney for Property Management*, in 1991 California Durable Power of Attorney Handbook § 2.51, at 58 (Cal. Cont. Ed. Bar); Missouri Bar Ass'n Comment to Mo. Ann. Stat. § 404.725 (Vernon 1990), Missouri Bar Ass'n, Missouri Probate and Trust Update — 1989, at 156.

54. This provision is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.725 (Vernon 1990).

55. See Prob. Code §§ 15681, 15684(a).

56. See Prob. Code § 3915.

Multiple and Successor Attorneys-in-Fact

The proposed law provides authority for designating multiple attorneys-in-fact and, if the power of attorney does not provide otherwise, specifies that the multiple attorneys-in-fact must act unanimously.⁵⁷ This is consistent with the default rule applicable under the statutory form power of attorney and with the law governing trustees.⁵⁸ The proposed law also adopts the trust rules permitting action by the remaining co-attorneys-in-fact when one of the co-attorneys-in-fact cannot act due to absence, illness, or other temporary incapacity or when a co-attorney-in-fact's position has become vacant, such as through death or other termination of authority.⁵⁹

The proposed law recognizes that a power of attorney may designate successor attorneys-in-fact and provide the manner of their succession. As in the case of trustees, the proposed law makes clear that co-attorneys-in-fact and successor attorneys-in-fact are not liable for the acts of other attorneys-in-fact.⁶⁰

Termination of Power of Attorney and Authority of Agent

The general agency statute lists several events that act to terminate an agency. An "agency" is terminated "as to every person having notice thereof" by (1) expiration of its term, (2) extinction of its subject, (3) death of the agent, (4) the agent's renunciation of the agency, (5) the incapacity of the agent to act as such, (6) divorce, annulment, legal separation, between agent and principal, or the filing of an action to do so, in the

57. The statutory form power of attorney under existing law provides a place for designating multiple attorneys-in-fact and for providing that they may act separately or jointly. Civ. Code § 2475. The statutory form does not provide the option of action by a majority of the designated agents.

58. Prob. Code § 15620.

59. See Prob. Code §§ 15621-15622.

60. See Prob. Code §§ 16402(a), 16403(a).

case of a federal “absentee.”⁶¹ Where the power of the agent is not coupled with an interest, an agency is also terminated by (7) revocation by the principal, (8) the principal’s death, (9) or the principal’s incapacity to contract (subject to durable power exception).⁶² A good faith transaction of the agent without actual knowledge of items (7)-(9) is binding on the principal.⁶³ The existing power of attorney statute focuses on what does not terminate a durable or nondurable power, providing that the death of the principal does not terminate the agency as to anyone acting in good faith without actual knowledge of the principal’s death.⁶⁴

The proposed law reorganizes and combines these rules, but preserves most of their substance. As a default rule, the proposed law requires modifications to be executed with the same formality as a power of attorney is created. This rule is intended to provide some certainty to persons dealing with the attorney-in-fact as to the effective contents of the power of attorney. If the principal were allowed to readily modify the terms of the power of attorney, third persons might not be willing to rely on its contents, notwithstanding statutory protections.

Revocation of the attorney-in-fact’s authority is simpler, however, in order to protect the interests of the principal. Thus, the authority of the attorney-in-fact may be revoked orally, as between the principal and attorney-in-fact and as to any third person who has notice of the revocation. In addition, the proposed law provides that the principal may revoke the power of attorney by a writing.

Under the proposed law, events that terminate the attorney-in-fact’s authority under a power of attorney, whether durable

61. Civ. Code § 2355.

62. Civ. Code § 2356.

63. Civ. Code § 2356(b).

64. Civ. Code § 2403.

or nondurable, include (1) expiration of its term or other terminating event as provided in the power of attorney, (2) extinction of its subject or fulfillment of its purpose, (3) revocation by the principal, (4) death of the principal (except for specific statutory authority that continues after death),⁶⁵ (5) removal of the attorney-in-fact by the principal or a court, (6) resignation of the attorney-in-fact, (7) incapacity of the attorney-in-fact, (8) dissolution or annulment of marriage between the principal and attorney-in-fact, and (9) death of the attorney-in-fact.

In the case of a principal and attorney-in-fact who are married, the proposed law generalizes the rule applicable to durable powers of attorney for health care.⁶⁶ Thus, as a default rule, dissolution or annulment revokes the authority of the spouse designated as attorney-in-fact. Subject to a contrary rule in the power of attorney, the spouse's authority is revived by a remarriage of the parties. This general rule is limited to cases where the marriage between the principal and attorney-in-fact is dissolved or annulled and does not apply when a petition for dissolution, annulment, or separation is filed, as is the case with federal "absentees."⁶⁷ Termination on dissolution or annulment is appropriate in consideration of the broad powers that may be granted in a power of attorney for property. The general rule is also consistent with the rule applicable to wills, that the dissolution or annulment of the

65. This authority includes winding up affairs under the power of attorney and delivering property and records to the person entitled to them and, where specifically authorized, the authority to make anatomical gifts, authorize an autopsy, or direct disposition of remains.

66. See Civ. Code § 2437(e).

67. See Civ. Code § 2355(f), enacted as part of the P.O.W.-M.I.A. Family Relief Act of 1972 (1972 Cal. Stat. ch. 988, § 1). The special rule applicable to federal absentees under Civil Code Section 2355(f) — that filing a petition for dissolution, annulment, or legal separation revokes the authority — would be relocated to the Probate Code with other absentee provisions. See Prob. Code § 3720.

marriage of the testator revokes a power of appointment conferred on the former spouse or appointment of the former spouse as executor, trustee, conservator, or guardian.⁶⁸

As under existing law, an attorney-in-fact or third person who does not have knowledge of a terminating event is protected from liability.⁶⁹

Relations with Third Persons

Existing law provides a number of rules concerning the relation between attorneys-in-fact and third persons, both in the general agency statutes⁷⁰ and in the power of attorney statutes.⁷¹ These rules protect attorneys-in-fact and third persons without knowledge of some event that would terminate the power of attorney or the authority of the attorney-in-fact. An attorney-in-fact's lack of knowledge of revocation or termination by death or incapacity may be formalized by the giving of an affidavit — the affidavit is deemed conclusive proof of the facts at the time it is given.⁷² A third person may be compelled to accept the authority of an attorney-in-fact under a statutory form power of attorney to the same extent as the principal could compel the third person to act.⁷³

The proposed law continues these principles of existing law, but adds several additional rules intended to make powers of

68. See Prob. Code §§ 6122(a)(2)-(3), 6226(a).

69. See discussion under "Relations with Third Persons" *infra*.

70. See, e.g., Civ. Code §§ 2342 (warrant of authority), 2343 (agent's responsibility to third persons), 2355(a) (effect of notice on termination), 2356(b) (effect of lack of knowledge of termination of authority on bona fide transactions).

71. Civ. Code §§ 2403 (effect of death or incapacity of principal), 2404 (affidavit of lack of knowledge of termination of power), 2510(c) (good faith reliance in absence of required warning statement), 2512 (protection of person relying in good faith on durable power of attorney).

72. See Civ. Code § 2404.

73. Civ. Code § 2480.5. See *Recognition of Agent's Authority Under Statutory Form Power of Attorney*, 22 Cal. L. Revision Comm'n Reports 965 (1992).

attorney more effective. The proposed law sets forth a general duty on the part of third persons to accord the same rights and privileges with respect to the interests of the principal as if the principal were personally present and acting.⁷⁴ In order to facilitate compliance with this duty, the proposed law protects a third person acting in good faith and protects the third person in relying on the representations of the attorney-in-fact.

The attorney-in-fact's affidavit is broadened and made more effective in the proposed law. The affidavit may be given voluntarily or in response to the request of a third person. A third person who is given an affidavit and refuses to accept the exercise of the attorney-in-fact's authority covered by the affidavit will be liable for attorney's fees in any judicial proceedings necessary to confirm the attorney-in-fact's authority.

The proposed law also adds new provisions recognizing the right of third persons to require appropriate identification from the attorney-in-fact⁷⁵ and specifying when a third person who conducts activities through employees is charged with knowledge that would deprive the third person of statutory protections from liability.⁷⁶

In order to facilitate use of powers of attorney, the proposed law provides that a copy has the same force and effect as the original if it is certified by a California notary public or attorney or by an official of any state who is authorized to make certifications.

74. This provision is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.710(9) (Vernon 1990).

75. This provision is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.719(4) (Vernon 1990).

76. The information must be received at a home office or place where there is an employee who is responsible for acting on the information and the employee has a reasonable time within which to act in light of the procedure and facilities available to the third person in the regular course of its operations. This provision is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.719(3) (Vernon 1990).

UNIFORM STATUTORY FORM POWERS OF ATTORNEY

The Uniform Statutory Form Power of Attorney Act⁷⁷ is left largely unchanged because it is a recently enacted uniform act. Several statutory cross-references are revised in the proposed law to reflect relocation of the statute to the Probate Code.

DURABLE POWERS OF ATTORNEY FOR HEALTH CARE

The provisions concerning durable powers of attorney for health care⁷⁸ are continued in the proposed law with only a few minor changes. The changes involve technical references necessary because of the relocation and renumbering of the sections and to conform to general rules applicable to all non-form powers of attorney. In the interest of consistency with the general rule for powers of attorney, the proposed law does not continue the rule requiring that at least one of the witnesses to a durable power of attorney for health care must be a person who would not take property from the principal by will or intestate succession at the time the power of attorney is executed.⁷⁹ The general provisions governing durable powers of attorney for health care have been reorganized in a more logical sequence. This permits grouping of like provisions, such as those concerning limitations on the use of health care powers, in a separate article for the convenience of persons using the statute.⁸⁰

77. Civ. Code §§ 2475-2499.5. See *Recommendation Relating to Uniform Statutory Form Power of Attorney Act*, 20 Cal. L. Revision Comm'n Reports 415 (1990).

78. Civ. Code §§ 2430-2444 (general provisions concerning durable power of attorney for health care), 2500-2508 (statutory form durable power of attorney for health care).

79. See Civ. Code § 2432.

80. See Civ. Code §§ 2435, 2440-2443.

JUDICIAL PROCEEDINGS

The procedure for obtaining judicial interpretation and enforcement of duties of attorneys-in-fact under powers of attorney⁸¹ is reorganized in the proposed law, but remains largely the same.⁸² This procedure applies to durable and nondurable powers of attorney for property, to durable powers of attorney for health care, and to statutory forms of both types of powers. Reliance is placed on general provisions in the Probate Code where appropriate, instead of repeating procedure rules as is required under the existing statute in the Civil Code.⁸³

The proposed law also adds some new provisions clarifying the general jurisdiction and power of the superior court in dealing with powers of attorney,⁸⁴ making the personal jurisdiction over attorneys-in-fact more concrete,⁸⁵ providing new venue rules,⁸⁶ and making clear that there is no right to a jury trial, consistent with the general rule concerning fiduciary relationships.⁸⁷

81. See Civ. Code §§ 2410-2423.

82. Under existing law, the right of a conservator of the estate to petition cannot be restricted in a power of attorney for property. See Civ. Code § 2421(b). The proposed law adds the attorney-in-fact, principal, and public guardian to this class of protected petitioners.

83. E.g., Prob. Code §§ 1003 (guardian ad litem), 1021 (verification required), 1041 (clerk to set matter for hearing), 1046 (hearing and orders), 1203 (order shortening time for notice), 1215-1216 (service), 1260 (proof of service).

84. For comparable provisions, see Prob. Code §§ 7050 (decedents' estates), 17000-17001, 17004 (trusts).

85. For comparable provisions, see Prob. Code §§ 3902(b) (custodian under Uniform Transfers to Minors Act), 17003(a) (trustees).

86. For comparable provisions, see Prob. Code §§ 1820-1821 (venue under guardianship-conservatorship law).

87. This is comparable to the rule applicable elsewhere under the Probate Code. See Prob. Code §§ 1452 (guardianships and conservatorships), 7200 (decedents' estates), 17006 (trusts).

OUTLINE

- PROBATE CODE: DIVISION 4.5. POWERS OF ATTORNEY [§§ 4000-4948]
 - PART 1. DEFINITIONS AND GENERAL PROVISIONS [§§ 4000-4054]
 - CHAPTER 1. SHORT TITLE AND DEFINITIONS [§§ 4000-4034]
 - CHAPTER 2. GENERAL PROVISIONS [§§ 4050-4054]
 - PART 2. POWERS OF ATTORNEY GENERALLY [§§ 4100-4308]
 - CHAPTER 1. GENERAL PROVISIONS [§§ 4100-4102]
 - CHAPTER 2. CREATION AND EFFECT OF POWERS OF ATTORNEY [§§ 4120-4130]
 - CHAPTER 3. MODIFICATION AND REVOCATION OF POWERS OF ATTORNEY [§§ 4150-4155]
 - CHAPTER 4. ATTORNEYS-IN-FACT [§§ 4200-4266]
 - Article 1. Qualifications and Authority of Attorneys-in-Fact [§§ 4200-4207]
 - Article 2. Duties of Attorneys-in-Fact [§§ 4230-4238]
 - Article 3. Authority of Attorneys-in-Fact [§§ 4260-4266]
 - CHAPTER 5. RELATIONS WITH THIRD PERSONS [§§ 4300-4308]
 - PART 3. UNIFORM STATUTORY FORM POWER OF ATTORNEY [§§ 4400-4465]
 - CHAPTER 1. GENERAL PROVISIONS [§§ 4400-4409]
 - CHAPTER 2. CONSTRUCTION OF POWERS [§§ 4450-4465]
 - PART 4. DURABLE POWERS OF ATTORNEY FOR HEALTH CARE [§§ 4600-4779]
 - CHAPTER 1. DEFINITIONS AND GENERAL PROVISIONS [§§ 4600-4654]
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 - Article 2. General Provisions [§§ 4650-4654]
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 - Article 1. Creation and Effect of Durable Power of Attorney for Health Care [§§ 4700-4704]
 - Article 2. Authority of Attorney-in-Fact Under Durable Power of Attorney for Health Care [§§ 4720-4727]
 - Article 3. Protections and Immunities [§§ 4750-4752]
 - CHAPTER 3. STATUTORY FORM DURABLE POWER OF ATTORNEY FOR HEALTH CARE [§§ 4770-4779]

PART 5. JUDICIAL PROCEEDINGS CONCERNING POWERS OF
ATTORNEY [§§ 4900-4948]

CHAPTER 1. GENERAL PROVISIONS [§§ 4900-4905]

CHAPTER 2. JURISDICTION AND VENUE [§§ 4920-4923]

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Prob. Code §§ 4000-4948 (added). Powers of attorney

SEC. _____. Division 4.5 (commencing with Section 4000) is added to the Probate Code, to read:

DIVISION 4.5. POWERS OF ATTORNEY**PART 1. DEFINITIONS AND GENERAL PROVISIONS****CHAPTER 1. SHORT TITLE AND DEFINITIONS****§ 4000. Short title**

4000. This division may be cited as the Power of Attorney Law.

Comment. Section 4000 is new and provides a convenient means of referring to this division. The Power of Attorney Law is largely self-contained, but the general agency statutes are applicable as provided in Section 4051. See also Section 20 *et seq.* (general definitions applicable in Probate Code depending on context).

§ 4001. Uniform Durable Power of Attorney Act

4001. Sections 4124, 4125, 4126, 4127, 4206, 4304, and 4305 may be cited as the Uniform Durable Power of Attorney Act.

Comment. Section 4001 restates former Civil Code Section 2406 without substantive change. This section has the same purpose as the official text of Section 7 of the Uniform Durable Power of Attorney Act (1969). See also Sections 2(b) (construction of provisions drawn from uniform acts), 11 (severability).

§ 4010. Application of definitions

4010. Unless the provision or context otherwise requires, the definitions in this chapter govern the construction of this division.

Comment. Section 4010 restates and generalizes the substance of the introductory clause of former Civil Code Section 2410.

§ 4014. Attorney-in-fact

4014. (a) “Attorney-in-fact” means a person granted authority to act for the principal in a power of attorney, regardless of whether the person is known as an attorney-in-fact or agent, or by some other term.

(b) “Attorney-in-fact” includes a successor or alternate attorney-in-fact and a person delegated authority by an attorney-in-fact.

Comment. Subdivision (a) of Section 4014 supersedes part of former Civil Code Section 2400 and former Civil Code Section 2410(a), and is comparable to the first sentence of Civil Code Section 2295.

Subdivision (b) is comparable to Section 84 (“trustee” includes successor trustee). See Sections 4202 (multiple attorneys-in-fact), 4203 (successor attorneys-in-fact), 4205 (delegation of attorney-in-fact’s authority), 4771 (alternate attorneys-in-fact under statutory form durable power of attorney for health care). The purpose of subdivision (b) is to make clear that the rules applicable to attorneys-in-fact under the Power of Attorney Law apply as well to successors and alternates of the original attorney-in-fact, and to other persons who act in place of the attorney-in-fact.

See also Sections 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4018. Durable power of attorney

4018. “Durable power of attorney” means a power of attorney that satisfies the requirements for durability provided in Section 4124.

Comment. Section 4018 is a new section included for drafting convenience.

§ 4022. Power of attorney

4022. “Power of attorney” means a written instrument, however denominated, that is executed by a natural person having the capacity to contract and that grants authority to an

attorney-in-fact. A power of attorney may be durable or nondurable.

Comment. Section 4022 restates the first sentence of former Civil Code Section 2410(c) without substantive change. See Sections 4120 (who may execute a power of attorney), 4121 (formalities for executing power of attorney), 4123 (permissible purposes). See also Sections 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4609 (“health care” defined).

§ 4026. Principal

4026. “Principal” means a natural person who executes a power of attorney.

Comment. Section 4026 restates and generalizes former Civil Code Section 2410(d). See Section 4022 (“power of attorney” defined).

§ 4030. Springing power of attorney

4030. “Springing power of attorney” means a power of attorney that by its terms becomes effective at a specified future time or on the occurrence of a specified future event or contingency, including, but not limited to, the subsequent incapacity of the principal. A springing power of attorney may be a durable power of attorney or a nondurable power of attorney.

Comment. Section 4030 continues former Civil Code Section 2514(a)(2) without substantive change. See Section 4129 (springing power of attorney). See also Sections 4018 (“durable power of attorney” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4034. Third person

4034. “Third person” means any person other than the principal or attorney-in-fact.

Comment. Section 4034 is a new provision. For the purposes of this statute, a third person is a person who acts on a request from, contracts with, relies on, or otherwise deals with the attorney-in-fact. The Uniform Statutory Form Power of Attorney uses the equivalent term “third party.” See Sections 4401-4402.

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined).

CHAPTER 2. GENERAL PROVISIONS

§ 4050. Types of powers of attorney governed by this division

4050. (a) This division applies to the following:

- (1) Durable powers of attorney.
- (2) Statutory form powers of attorney under Part 3 (commencing with Section 4400).
- (3) Durable powers of attorney for health care under Part 4 (commencing with Section 4600).
- (4) Any other power of attorney that incorporates or refers to this division or the provisions of this division.

(b) This division does not apply to the following:

- (1) A power of attorney to the extent that the authority of the attorney-in-fact is coupled with an interest in the subject of the power of attorney.
- (2) Reciprocal or interinsurance exchanges and their contracts, subscribers, attorneys-in-fact, agents, and representatives.
- (3) A proxy given by an attorney-in-fact to another person to exercise voting rights.

(c) This division is not intended to affect the validity of any instrument or arrangement that is not described in subdivision (a).

Comment. Section 4050 describes the types of instruments that are subject to the Power of Attorney Law. If a section in this division refers to a “power of attorney,” it generally refers to a durable power of attorney, but may, under certain circumstances, also apply to a nondurable power of attorney. For example, a statutory form power of attorney may be durable or nondurable. See Sections 4401, 4404. A nondurable power may incorporate provisions of this division, thereby becoming subject to its provisions as provided in Section 4050(a)(4).

Subdivision (b) makes clear that certain specialized types of power of attorney are not subject to the Power of Attorney Law. This list is not intended to be exclusive. See subdivision (c). Subdivision (b)(1) recognizes the special rule applicable to a power coupled with an interest in the subject of a power of attorney provided in Civil Code Section 2356(a). Subdivision (b)(2) continues the substance of the limitation in

former Civil Code Section 2420(b) and broadens it to apply to the entire Power of Attorney Law. See Ins. Code § 1280 *et seq.* Subdivision (b)(3) restates former Civil Code Section 2400.5 without substantive change and supersedes the second sentence of former Civil Code Section 2410(c). For the rules applicable to proxy voting in business corporations, see Corp. Code § 705. For other statutes dealing with proxies, see Corp. Code §§ 178, 702, 5069, 5613, 7613, 9417, 12405, 13242; Fin. Code §§ 5701, 5702, 5710, 6005. See also Civ. Code § 2356(e) (proxy under general agency rules).

Subdivision (c) makes clear that this division does not affect the validity of other agencies and powers of attorney. The Power of Attorney Law thus does not apply to other specialized agencies, such as real estate agents under Section 2373 *et seq.* As a corollary, an instrument denominated a power of attorney that does not satisfy the execution requirements for a power of attorney under this division may be valid under general agency law or other principles.

The general rules in this division are subject to the special rules applicable to statutory form powers of attorney in Part 3 (commencing with Section 4400) and to durable powers of attorney for health care in Part 4 (commencing with Section 4600). See also Section 4770 *et seq.* (statutory form durable power of attorney for health care).

See also Sections 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4022 (“power of attorney” defined), 4606 (“durable power of attorney for health care” defined).

§ 4051. Relation to general agency law

4051. Except where this division provides a specific rule, the general law of agency, including Article 2 (commencing with Section 2019) of Chapter 2 of Title 6 of, and Title 9 (commencing with Section 2295) of, Part 4 of Division 3 of the Civil Code, applies to powers of attorney.

Comment. Section 4051 is new. This section makes clear that the general agency statutes and the common law of agency apply to powers of attorney under this division, except where this division provides a specific rule. See also Section 4022 (“power of attorney” defined).

§ 4052. Application of division to acts and transactions under power of attorney

4052. (a) If a power of attorney provides that the Power of Attorney Law of this state governs the power of attorney or

otherwise indicates the principal's intention that the Power of Attorney Law of this state governs the power of attorney, this division governs the power of attorney and applies to acts and transactions of the attorney-in-fact in this state or outside this state where any of the following conditions is satisfied:

(1) The principal or attorney-in-fact was domiciled in this state when the principal executed the power of attorney.

(2) The authority conferred on the attorney-in-fact relates to property, acts, or transactions in this state.

(3) The acts or transactions of the attorney-in-fact occurred or were intended to occur in this state.

(4) The principal executed the power of attorney in this state.

(5) There is otherwise a reasonable relationship between this state and the subject matter of the power of attorney.

(b) If subdivision (a) does not apply to the power of attorney, this division governs the power of attorney and applies to the acts and transactions of the attorney-in-fact in this state where either of the following conditions is satisfied:

(1) The principal was domiciled in this state when the principal executed the power of attorney.

(2) The principal executed the power of attorney in this state.

(c) A power of attorney described in this section remains subject to this division despite a change in domicile of the principal or the attorney-in-fact, or the removal from this state of property that was the subject of the power of attorney.

Comment. Section 4052 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.730(1) (Vernon 1990). In part, this section is comparable to a provision of the Uniform Transfers to Minors Act. See Section 3902 & Comment. The power of attorney may also specify choice of law. Nothing in this section limits the jurisdiction exercisable under Code of Civil Procedure Section 410.10.

The rules in this section are subject to the general rules concerning the scope of the Power of Attorney Law set forth in Section 4050. See also

Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined), 4920-4923 (jurisdiction and venue).

§ 4053. Recognition of durable powers of attorney executed under law of another state

4053. A durable power of attorney executed in another state or jurisdiction in compliance with the law of that state or jurisdiction or the law of this state is valid and enforceable in this state to the same extent as a durable power of attorney executed in this state, regardless of whether the principal is a domiciliary of this state.

Comment. Section 4053 is new. This section promotes use and enforceability of durable powers of attorney executed in other states. See also Section 4018 (“durable power of attorney” defined). For a special rule applicable to durable powers of attorney for health care executed in another jurisdiction, see Section 4653.

§ 4054. Application to existing powers of attorney and pending proceedings

4054. Except as otherwise provided by statute:

(a) On and after January 1, 1995, this division applies to all powers of attorney regardless of whether they were executed before, on, or after January 1, 1995.

(b) This division applies to all proceedings concerning powers of attorney commenced on or after January 1, 1995.

(c) This division applies to all proceedings concerning powers of attorney commenced before January 1, 1995, unless the court determines that application of a particular provision of this division would substantially interfere with the effective conduct of the proceedings or the rights of the parties and other interested persons, in which case the particular provision of this division does not apply and prior law applies.

Comment. Section 4054 is comparable to Section 15001 (application of Trust Law). Subdivision (a) provides the general rule that this division applies to all powers of attorney, regardless of when created.

Subdivision (b) is a specific application of the general rule in subdivision (a). See Section 4900 *et seq.* (court enforcement of duties of attorneys-in-fact). Subdivision (c) provides discretion to the court to resolve problems arising in proceedings commenced before the operative date.

For special transitional provisions, see Sections 4102 (durable power of attorney form), 4651 (form of durable power of attorney for health care); see also Section 4129(c) (springing powers).

See also Section 4022 (“power of attorney” defined).

PART 2 . POWERS OF ATTORNEY GENERALLY

CHAPTER 1. GENERAL PROVISIONS

§ 4100. Application of part

4100. This part applies to all powers of attorney under this division, subject to any special rules applicable to statutory form powers of attorney under Part 3 (commencing with Section 4400) or durable powers of attorney for health care under Part 4 (commencing with Section 4600).

Comment. Section 4100 provides the scope of this part and makes clear that these general rules are subject to exceptions and qualifications in the case of certain special types of powers of attorney. See also Sections 4022 (“power of attorney” defined), 4606 (“durable power of attorney for health care” defined).

§ 4101. Priority of provisions of power of attorney

4101. (a) Except as provided in subdivision (b), the principal may limit the application of any provision of this division by an express statement in the power of attorney or by providing an inconsistent rule in the power of attorney.

(b) A power of attorney may not limit either the application of a statute specifically providing that it is not subject to limitation in the power of attorney or a statute concerning any of the following:

(1) Warnings or notices required to be included in a power of attorney.

(2) Operative dates of statutory enactments or amendments.

(3) Execution formalities.

(4) Qualifications of witnesses.

(5) Qualifications of attorneys-in-fact.

(6) Protection of third persons from liability.

Comment. Section 4101 is new. This section makes clear that many of the statutory rules provided in this division are subject to express or implicit limitations in the power of attorney. If a statutory rule is not subject to control by the power of attorney, this is stated explicitly, either in a particular section or as to a group of sections. See, e.g., Sections 4130 (inconsistent authority), 4151(a)(2) (revocation of power of attorney by writing), 4153(a)(2)-(3) (revocation of attorney-in-fact's authority), 4155 (termination of authority under nondurable power of attorney on principal's incapacity), 4206 (relation of attorney-in-fact to court-appointed fiduciary), 4207 (resignation of attorney-in-fact), 4232 (duty of loyalty), 4233 (duty to keep principal's property separate and identified), 4234(b) (authority to disobey instructions with court approval), 4236 (duty to keep records and account; availability of records to other persons), 4902 (effect of provision in power of attorney attempting to limit right to petition), 4903 (limitations on right to petition).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4102. Form of durable power of attorney after January 1, 1995

4102. Notwithstanding Section 4128:

(a) Except as provided in subdivision (b), on and after January 1, 1995, a printed form of a durable power of attorney may be sold or otherwise distributed if it satisfies the requirements of former Section 2510.5 of the Civil Code.

(b) A printed form of a durable power of attorney printed on or after January 1, 1986, that is sold or otherwise distributed in this state for use by a person who does not have the advice of legal counsel shall comply with former Section 2510 of the Civil Code or with Section 4128 of this code.

(c) A durable power of attorney executed on or after January 1, 1995, using a printed form that complies with subdivision (b) of former Section 2400 of the Civil Code, as enacted by Chapter 511 of the Statutes of 1981, or with former Section 2510 of the Civil Code, is as valid as if it had been executed using a printed form that complies with Section 4128 of this code.

Comment. Section 4102 supersedes former Civil Code Section 2510.5. This section permits continued use of printed forms that comply with former law, specifically former Civil Code Section 2400 (as enacted by 1981 Cal. Stat. ch. 511, § 4) and former Civil Code Section 2510 (as enacted by 1985 Cal. Stat. ch. 403, § 12). Subdivision (c) permits use of the earlier forms after January 1, 1995, the operative date of Section 4128. This section, like its predecessor, former Civil Code Section 2510.5, avoids the need to discard existing printed forms on the operative date of this division. However, pursuant to subdivision (b), a form printed on or after January 1, 1986, may be sold or distributed in this state for use by a person who does not have the advice of legal counsel only if the form satisfies the requirements of former Civil Code Section 2510 or of Probate Code Section 4128. See also Section 4018 (“durable power of attorney” defined).

CHAPTER 2. CREATION AND EFFECT OF POWERS OF ATTORNEY

§ 4120. Who may execute a power of attorney

4120. A natural person having the capacity to contract may execute a power of attorney.

Comment. Section 4120 states a requirement of general agency law, consistent with Civil Code Section 2296. See also Section 4022 (“power of attorney” defined).

§ 4121. Formalities for executing a power of attorney

4121. A power of attorney is legally sufficient if all of the following requirements are satisfied:

- (a) The power of attorney contains the date of its execution.
- (b) The power of attorney is signed either (1) by the principal or (2) in the principal’s name by some other person in the principal’s presence and at the principal’s direction.
- (c) The power of attorney is either (1) acknowledged before a notary public or (2) signed by at least two witnesses who satisfy the requirements of Section 4122.

Comment. Section 4121 provides the general execution formalities for a power of attorney under this division. A power of attorney that complies with this section is legally sufficient as a grant of authority to

an attorney-in-fact. Special rules apply to a statutory form power of attorney. See Section 4402. Additional qualifications apply to witnesses for a durable power of attorney for health care. See Sections 4700, 4701, 4771.

The dating requirement in subdivision (a) generalizes the rule applicable to durable powers of attorney for health care under former Civil Code Section 2432(a)(2). This rule is also consistent with the statutory forms. See Sections 4401 (statutory form power of attorney), 4771 (statutory form durable power of attorney for health care).

In subdivision (b), the requirement that a power of attorney be signed by the principal or at the principal's direction continues a rule implicit in former law. See former Civ. Code §§ 2400, 2410(c). In addition, it generalizes the rule applicable to durable powers of attorney for health care under former Civil Code Section 2432.

The requirement that the power of attorney be either acknowledged or signed by two witnesses, in subdivision (c), generalizes part of the rule applicable to durable powers of attorney for health care under former Civil Code Section 2432(a)(3). Former general rules did not require either acknowledgment or witnessing. However, the statutory form power of attorney provided for acknowledgment. See former Civ. Code § 2475 (now Prob. Code § 4401). This rule still applies to the statutory form power of attorney; witnessing does not satisfy Section 4402. Subdivision (c) provides the general rule as to witnessing; specific qualifications for witnesses are provided in Section 4122.

Nothing in this section affects the requirements concerning recordable instruments. A power of attorney legally sufficient as a grant of authority under this division must satisfy the general rules concerning recordation in Civil Code Sections 1169-1231. To facilitate recordation of a power of attorney granting authority concerning real property, the power of attorney should be acknowledged before a notary, whether or not it is witnessed.

See also Sections 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4122. Requirements for witnesses

4122. If the power of attorney is signed by witnesses, as provided in Section 4121, the following requirements shall be satisfied:

- (a) The witnesses shall be adults.
- (b) The attorney-in-fact may not act as a witness.

(c) Each witness signing the power of attorney shall witness either the signing of the instrument by the principal or the principal's acknowledgment of the signature or the power of attorney.

(d) In the case of a durable power of attorney for health care, the additional requirements of Section 4701.

Comment. Section 4122 generalizes witness qualifications from former Civil Code Section 2432 (durable power of attorney for health care). Additional qualifications apply to witnesses for a durable power of attorney for health care, as recognized in subdivision (d). See also Section 4771 (statutory form durable power of attorney for health care). This section is not subject to limitation in the power of attorney. See Section 4101.

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined), 4606 ("durable power of attorney for health care" defined).

§ 4123. Permissible purposes

4123. (a) In a power of attorney, a principal may grant authority to an attorney-in-fact to act on the principal's behalf with respect to all lawful subjects and purposes or with respect to one or more express subjects or purposes. The attorney-in-fact may be granted authority with regard to the principal's property, personal care, health care, or any other matter.

(b) With regard to property matters, a power of attorney may grant authority to make decisions concerning all or part of the principal's real and personal property, whether owned by the principal at the time of the execution of the power of attorney or thereafter acquired or whether located in this state or elsewhere, without the need for a description of each item or parcel of property.

(c) With regard to personal care, a power of attorney may grant authority to make decisions relating to the personal care of the principal, including, but not limited to, determining where the principal will live, providing meals, hiring

household employees, providing transportation, handling mail, and arranging recreation and entertainment.

(d) With regard to health care, a power of attorney may grant authority to make health care decisions, both before and after the death of the principal, as provided in Part 4 (commencing with Section 4600).

Comment. Subdivision (a) of Section 4123 is new and is consistent with the general agency rules in Civil Code Sections 2304 and 2305. For provisions concerning the duties and powers of an attorney-in-fact, see Sections 4230-4266. See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

Subdivision (b) continues former Civil Code Section 2513 without substantive change. This subdivision makes clear that a power of attorney may by its terms apply to all real property of the principal, including after-acquired property, without the need for a specific description of the real property to which the power applies. This section is consistent with Section 4464 (after-acquired property under statutory form power of attorney).

Subdivision (c) is new and acknowledges the existing practice of providing authority to make personal care decisions in durable powers of attorney.

Subdivision (d) recognizes the special rules concerning health care decisions made by an attorney-in-fact under a power of attorney. See Sections 4609 (“health care” defined), 4612 (“health care decision” defined).

§ 4124. Requirements for durable power of attorney

4124. A durable power of attorney is a power of attorney by which a principal designates another person as attorney-in-fact in writing and the power of attorney contains any of the following statements:

(a) “This power of attorney shall not be affected by subsequent incapacity of the principal.”

(b) “This power of attorney shall become effective upon the incapacity of the principal.”

(c) Similar words showing the intent of the principal that the authority conferred shall be exercisable notwithstanding the principal’s subsequent incapacity.

Comment. Section 4124 restates former Civil Code Section 2400 without substantive change. For special rules applicable to statutory form powers of attorney, see Sections 4401, 4402. For special rules applicable to durable powers of attorney for health care, see Sections 4703, 4771. See also Section 4050 (powers subject to this division).

Section 4124 is similar to the official text of Section 1 of the Uniform Durable Power of Attorney Act (1984), Uniform Probate Code Section 5-501 (1991). See Section 2(b) (construction of provisions drawn from uniform acts). The reference in the Uniform Act to the principal's "disability" is omitted. Under Section 4155, it is the principal's incapacity to contract which would otherwise terminate the power of attorney. In addition, the phrase "or lapse of time" has not been included in the language set forth in subdivision (a) of Section 4124 because it is unnecessary. As a matter of law, unless a durable power of attorney states an earlier termination date, it remains valid regardless of any lapse of time since its creation. See, e.g., Sections 4127 (lapse of time), 4152(a)(1) (termination of attorney-in-fact's authority pursuant to terms of power of attorney).

See also Sections 4014 ("attorney-in-fact" defined), 4018 ("durable power of attorney" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4125. Effect of acts under durable power of attorney during principal's incapacity

4125. All acts done by an attorney-in-fact pursuant to a durable power of attorney during any period of incapacity of the principal have the same effect and inure to the benefit of and bind the principal and the principal's successors in interest as if the principal had capacity.

Comment. Section 4125 continues former Civil Code Section 2401 without substantive change. This section is similar to the first sentence of the official text of Section 2 of the Uniform Durable Power of Attorney Act (1987), Uniform Probate Code Section 5-502 (1991). See Section 2(b) (construction of provisions drawn from uniform acts). This section omits the reference to the principal's "disability" found in the uniform act. Under Section 4155, it is the principal's incapacity to contract which would otherwise terminate the power of attorney.

See also Sections 4014 ("attorney-in-fact" defined), 4018 ("durable power of attorney" defined), 4026 ("principal" defined).

§ 4126. Nomination of conservator in durable power of attorney

4126. (a) A principal may nominate, by a durable power of attorney, a conservator of the person or estate or both, or a guardian of the person or estate or both, for consideration by the court if protective proceedings for the principal's person or estate are thereafter commenced.

(b) If the protective proceedings are conservatorship proceedings in this state, the nomination has the effect provided in Section 1810 and the court shall give effect to the most recent writing executed in accordance with Section 1810, whether or not the writing is a durable power of attorney.

Comment. Section 4126 continues former Civil Code Section 2402(b) without substantive change. This section is drawn from Section 3(b) of the Uniform Durable Power of Attorney Act (1979), Uniform Probate Code Section 5-503 (1991), but has been revised to make it consistent with the general provision for nomination of a conservator in Section 1810. See Section 2(b) (construction of provisions drawn from uniform acts). The second sentence of Section 3(b) of the Uniform Durable Power of Attorney Act (most recent nomination in a durable power shall be given effect) is not adopted in California. Thus, the principal may make a later nomination in a writing that is not a durable power of attorney and, if at that time the principal has sufficient capacity to form an intelligent preference (Section 1810), the later nomination will supersede an earlier nomination made in a durable power. This is consistent with the purpose and effect of Section 1810.

See also Section 4018 ("durable power of attorney" defined), 4026 ("principal" defined).

§ 4127. Lapse of time

4127. Unless a power of attorney states a time of termination, the authority of the attorney-in-fact is exercisable notwithstanding any lapse of time since execution of the power of attorney.

Comment. Section 4127 is the same in substance as the second sentence of the official text of Section 2 of the Uniform Durable Power of Attorney Act (1987), Uniform Probate Code Section 5-502 (1991). See Section 2(b) (construction of provisions drawn from uniform acts).

See also Sections 4125 (effect of attorney-in-fact's acts under durable power of attorney during principal's incapacity), 4152 (termination of authority of attorney-in-fact).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined).

§ 4128. Warning statement in durable power of attorney

4128. (a) Subject to subdivision (b), a printed form of a durable power of attorney that is sold or otherwise distributed in this state for use by a person who does not have the advice of legal counsel shall contain, in not less than 10-point boldface type or a reasonable equivalent thereof, the following warning statement:

NOTICE TO PERSON EXECUTING DURABLE
POWER OF ATTORNEY

A durable power of attorney is an important legal document. By signing the durable power of attorney, you are authorizing another person to act for you, the principal. Before you sign this durable power of attorney, you should know these important facts:

Your agent (attorney-in-fact) has no duty to act unless you and your agent agree otherwise in writing.

This document gives your agent the powers to manage, dispose of, sell, and convey your real and personal property, and to use your property as security if your agent borrows money on your behalf.

Your agent will have the right to receive reasonable payment for services provided under this durable power of attorney unless you provide otherwise in this power of attorney.

The powers you give your agent will continue to exist for your entire lifetime, unless you state that the durable power of attorney will last for a shorter period of time or unless you otherwise terminate the durable power of attorney. The

powers you give your agent in this durable power of attorney will continue to exist even if you can no longer make your own decisions respecting the management of your property.

You can amend or change this durable power of attorney only by executing a new durable power of attorney or by executing an amendment through the same formalities as an original. You have the right to revoke or terminate this durable power of attorney at any time, so long as you are competent.

This durable power of attorney must be dated and must be acknowledged before a notary public or signed by two witnesses. If it is signed by two witnesses, they must witness either (1) the signing of the power of attorney or (2) the principal's signing or acknowledgment of his or her signature. A durable power of attorney that may affect real property should be acknowledged before a notary public so that it may easily be recorded.

You should read this durable power of attorney carefully. When effective, this durable power of attorney will give your agent the right to deal with property that you now have or might acquire in the future. The durable power of attorney is important to you. If you do not understand the durable power of attorney, or any provision of it, then you should obtain the assistance of an attorney or other qualified person.

(b) Nothing in subdivision (a) invalidates any transaction in which a third person relied in good faith on the authority created by the durable power of attorney.

(c) This section does not apply to the following:

(1) A statutory form power of attorney under Part 3 (commencing with Section 4400).

(2) A durable power of attorney for health care under Part 4 (commencing with Section 4600).

Comment. The warning statement in subdivision (a) of Section 4128 replaces the statement provided in former Civil Code Section 2510(b). Subdivision (b) restates former Civil Code Section 2510(c) without

substantive change. Subdivision (c) restates former Civil Code Section 2510(a) without substantive change, but the reference to statutory form powers of attorney under former Civil Code Section 2450 is omitted as obsolete. This section is not subject to limitation in the power of attorney. See Section 4101(b).

Other provisions prescribe the contents of the warning statements for particular types of durable powers of attorney. See Sections 4401, 4409 (statutory form power of attorney), 4703 (durable power of attorney for health care), 4771 (statutory form durable power of attorney for health care). See also Section 4703(a) (introductory clause) (printed form of durable power of attorney for health care to provide only authority to make health care decisions).

Section 4102 permits a printed form to be used after January 1, 1995, if the form complies with prior law. A form printed after January 1, 1986, may be sold or otherwise distributed in this state only if it complies with the requirements of Section 4128 (or its predecessor, former Civil Code Section 2510). See Section 4102(b).

See also Sections 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4026 (“principal” defined), 4034 (“third person” defined).

§ 4129. Springing power of attorney

4129. (a) In a springing power of attorney, the principal may designate one or more persons who, by a written declaration under penalty of perjury, have the power to determine conclusively that the specified event or contingency has occurred. The principal may designate the attorney-in-fact or another person to perform this function, either alone or jointly with other persons.

(b) A springing power of attorney containing the designation described in subdivision (a) becomes effective when the person or persons designated in the power of attorney execute a written declaration under penalty of perjury that the specified event or contingency has occurred, and any person may act in reliance on the written declaration without liability to the principal or to any other person, regardless of whether the specified event or contingency has actually occurred.

(c) This section applies to a power of attorney whether executed before, on, or after January 1, 1991, if the power of attorney contains the designation described in subdivision (a).

(d) This section does not provide the exclusive method by which a power of attorney may be limited to take effect on the occurrence of a specified event or contingency.

Comment. Section 4129 continues former Civil Code Section 2514(b)-(e) without substantive change. This section is intended to make springing powers of attorney more effective by providing a mechanism for conclusively determining that the triggering event or contingency has occurred. See Section 4030 (“springing power of attorney” defined). Subdivision (a) makes clear that the principal may give the agent (or one or more other persons) the power to determine by written declaration under penalty of perjury that the event or contingency specified in the springing power of attorney has occurred so that the power of attorney is effective. This section does not apply to or affect springing powers of attorney containing different procedures for determining whether the triggering event or contingency has occurred. This section applies only where the terms of subdivision (a) are satisfied.

Subdivision (b) makes clear that the written declaration of the persons designated in the power of attorney is conclusive, even though it may turn out that the event or contingency did not occur, or that circumstances have returned to normal. The purpose of the conclusive written declaration is to permit other persons to act in reliance on the written declaration without liability.

A springing power of attorney may or may not be a durable power of attorney. A springing power that takes effect on the occurrence of a contingency other than the incapacity of the principal (such as, for example, the principal’s failure to return from a vacation or business trip by a certain date) need not be a durable power of attorney. However, a springing power of attorney that takes effect upon the incapacity of the principal is necessarily a durable power of attorney, and the other rules concerning durable powers of attorney are applicable.

Subdivision (c) makes clear that this section applies to powers of attorney executed before the operative date of this section if they contain the designation provided in subdivision (a).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4130. Inconsistent authority

4130. (a) If a principal grants inconsistent authority to one or more attorneys-in-fact in two or more powers of attorney, the authority granted last controls to the extent of the inconsistency.

(b) This section is not subject to limitation in the power of attorney.

Comment. Section 4130 is new. For a special rule applicable to durable powers of attorney for health care, see Section 4727(d). See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

CHAPTER 3. MODIFICATION AND REVOCATION OF POWERS OF ATTORNEY

§ 4150. Manner of modification of power of attorney

4150. (a) A principal may modify a power of attorney as follows:

(1) In accordance with the terms of the power of attorney.

(2) By an instrument executed in the same manner as a power of attorney may be executed.

(b) An attorney-in-fact or third person who does not have notice of the modification is protected from liability as provided in Chapter 4 (commencing with Section 4300).

Comment. Section 4150 is new. The manner of modifying a power of attorney as provided in subdivision (a)(2) is more formal than the manner of revoking the attorney-in-fact’s authority provided by Section 4153(a). Subdivision (a)(2) is subject to limitation in the power of attorney. See Section 4101 (priority of provisions of power of attorney).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined), 4034 (“third person” defined).

§ 4151. Manner of revocation of power of attorney

4151. (a) A principal may revoke a power of attorney as follows:

(1) In accordance with the terms of the power of attorney.

(2) By a writing. This paragraph is not subject to limitation in the power of attorney.

(b) An attorney-in-fact or third person who does not have notice of the revocation is protected from liability as provided in Chapter 4 (commencing with Section 4300).

Comment. Section 4151 is new. This section provides for revocation of the power of attorney in its entirety, as distinct from revocation or termination of the authority of the attorney-in-fact pursuant to Section 4152 or 4153. This section recognizes that a power of attorney may, for example, contain expressions of wishes, may nominate a conservator, or name a successor attorney-in-fact. These provisions may exist independent from the provisions granting authority to the attorney-in-fact. Revocation under this section revokes all provisions stated in the instrument, rather than modifying or terminating the authority of the attorney-in-fact. The rule in subdivision (a)(2) permitting revocation of a power of attorney by a writing executed by the principal acts as an escape hatch and is not subject to limitation in the power of attorney. See Section 4101(b) (exception to priority of provisions of power of attorney).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined), 4034 (“third person” defined); Civ. Code § 1216 (recordation of revocation of recorded instruments).

§ 4152. Termination of attorney-in-fact’s authority

4152. (a) Subject to subdivision (b), the authority of an attorney-in-fact under a power of attorney is terminated by any of the following events:

(1) In accordance with the terms of the power of attorney.

(2) Extinction of the subject or fulfillment of the purpose of the power of attorney.

(3) Revocation of the attorney-in-fact’s authority, as provided in Section 4153.

(4) Death of the principal, except as to specific authority permitted by statute to be exercised after the principal’s death.

(5) Removal of the attorney-in-fact.

(6) Resignation of the attorney-in-fact.

(7) Incapacity of the attorney-in-fact, except that a temporary incapacity suspends the attorney-in-fact's authority only during the period of the incapacity.

(8) Dissolution or annulment of the marriage of the attorney-in-fact and principal, as provided in Section 4154.

(9) Death of the attorney-in-fact.

(b) An attorney-in-fact or third person who does not have notice of an event that terminates the power of attorney or the authority of an attorney-in-fact is protected from liability as provided in Chapter 4 (commencing with Section 4300).

Comment. Section 4152 is drawn from the general agency rules provided in Civil Code Sections 2355 and 2356. This section continues the substance of former law as to termination of the authority of an attorney-in-fact under a power of attorney. For a special rule as to termination of nondurable powers of attorney on principal's incapacity, see Section 4155.

Subdivision (a)(1) is the same as Civil Code Section 2355(a). Subdivision (a)(2) is the same as Civil Code Section 2355(b), but the reference to fulfillment of the purpose of the power of attorney is new. Subdivision (a)(3) is the same as Civil Code Section 2356(a)(1). These subdivisions recognize that the authority of an attorney-in-fact necessarily ceases when the underlying power of attorney is terminated.

Subdivision (a)(4) is the same as Civil Code Section 2356(a)(2), but recognizes that certain tasks may remain to be performed after death. See, e.g., Sections 4238 (attorney-in-fact's duties on termination of authority), 4609 ("health care" defined to include post-death decisions), 4720 (authority to make health care decisions, including certain post-death decisions).

Subdivision (a)(5) is generalized from Civil Code Section 2355(c)-(f). Subdivision (a)(6) is similar to Civil Code Section 2355(d) (renunciation by agent). For the manner of resignation, see Section 4207. Subdivision (a)(7) is similar to Civil Code Section 2355(e). Subdivision (a)(8) cross-refers to the rules governing the effect of dissolution and annulment of marriage. Subdivision (a)(9) is the same as Civil Code Section 2355(c).

Subdivision (b) preserves the substance of the introductory clause of Civil Code Section 2355 and Civil Code Section 2356(b), which protect persons without notice of events that terminate an agency.

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined), 4034 ("third person"

defined); Civ. Code § 1216 (recordation of revocation of recorded instruments).

§ 4153. Manner of revocation of attorney-in-fact's authority

4153. (a) The authority of an attorney-in-fact under a power of attorney may be revoked as follows:

(1) In accordance with the terms of the power of attorney.

(2) Where the principal informs the attorney-in-fact orally or in writing that the attorney-in-fact's authority is revoked or when and under what circumstances it is revoked. This paragraph is not subject to limitation in the power of attorney.

(3) Where the principal's legal representative, with approval of the court as provided in Section 4206, informs the attorney-in-fact in writing that the attorney-in-fact's authority is revoked or when and under what circumstances it is revoked. This paragraph is not subject to limitation in the power of attorney.

(b) An attorney-in-fact or third person who does not have notice of the revocation is protected from liability as provided in Chapter 4 (commencing with Section 4300).

Comment. Section 4153 is new. The rules concerning revocation of the attorney-in-fact's authority by the principal are not as strict as the rules on modification of the power of attorney. Compare subdivision (a)(2) with Section 4150(a)(2). No writing is required to revoke the attorney-in-fact's authority, and if a writing is used, it need not be witnessed or notarized to be effective between the principal and attorney-in-fact.

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined), 4034 ("third person" defined); Civ. Code § 1216 (recordation of revocation of recorded instruments).

§ 4154. Effect of dissolution or annulment

4154. (a) If after executing a power of attorney the principal's marriage to the attorney-in-fact is dissolved or annulled, the principal's designation of the former spouse as an attorney-in-fact is revoked.

(b) If the attorney-in-fact's authority is revoked solely by subdivision (a), it is revived by the principal's remarriage to the attorney-in-fact.

Comment. Section 4154 is generalized from former Civil Code Section 2437(e) (revocation of durable power of attorney for health care on dissolution or annulment) and part of former subdivision (f) of Civil Code Section 2355 (revocation in case federal absentee). This section is also comparable to Section 6122(a)-(b) (revocation of provisions in will after dissolution or annulment). For special rules applicable to a federal "absentee" (as defined in Section 1403), see Section 3722.

This section is subject to limitation by the power of attorney. See Section 4101 (priority of provisions of power of attorney).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined); Civ. Code § 1216 (recordation of revocation of recorded instruments).

§ 4155. Termination of authority under nondurable power of attorney on principal's incapacity

4155. (a) Subject to subdivision (b), the authority of an attorney-in-fact under a nondurable power of attorney is terminated by the incapacity of the principal to contract.

(b) An attorney-in-fact or third person who does not have notice of the incapacity of the principal is protected from liability as provided in Chapter 4 (commencing with Section 4300).

(c) This section is not subject to limitation in the power of attorney.

Comment. Subdivision (a) of Section 4155 restates the general agency rule in Civil Code Section 2356(a)(3) without substantive change.

Subdivision (b) preserves the substance of the introductory clause of Civil Code Section 2355 and Civil Code Section 2356(b) protecting persons without notice of events that terminate an agency.

See also Sections 4014 ("attorney-in-fact" defined), 4018 ("durable power of attorney" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined), 4034 ("third person" defined); Civ. Code § 1216 (recordation of revocation of recorded instruments).

CHAPTER 4. ATTORNEYS-IN-FACT

Article 1. Qualifications and Authority of Attorneys-in-Fact

§ 4200. Qualifications of attorney-in-fact

4200. Only a person having the capacity to contract is qualified to act as an attorney-in-fact.

Comment. Section 4200 supersedes the last part of Civil Code Section 2296 (“any person may be an agent”) to the extent that it applied to attorneys-in-fact under powers of attorney. For special limitations on attorneys-in-fact under durable powers of attorney for health care, see Sections 4700(b)-(c), 4720.

See also Sections 56 (“person” defined), 4014 (“attorney-in-fact” defined).

§ 4201. Effect of designating unqualified person as attorney-in-fact

4201. Designating an unqualified person as an attorney-in-fact does not affect the immunities of third persons nor relieve the unqualified person of any applicable duties to the principal or the principal’s successors.

Comment. Section 4201 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.707(4) (Vernon 1990). For provisions governing immunities of third persons, see Section 4300 *et seq.*

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined), 4034 (“third person” defined).

§ 4202. Multiple attorneys-in-fact

4202. (a) A principal may designate more than one attorney-in-fact in one or more powers of attorney.

(b) Authority granted to two or more attorneys-in-fact is exercisable only by their unanimous action.

(c) If a vacancy occurs, the remaining attorneys-in-fact may exercise the authority conferred as if they are the only attorneys-in-fact.

(d) If an attorney-in-fact is unavailable because of absence, illness, or other temporary incapacity, the other attorneys-in-fact may exercise the authority under the power of attorney as if they are the only attorneys-in-fact, where necessary to accomplish the purposes of the power of attorney or to avoid irreparable injury to the principal's interests.

(e) An attorney-in-fact is not liable for the actions of other attorneys-in-fact, unless the attorney-in-fact participates in, knowingly acquiesces in, or conceals a breach of fiduciary duty committed by another attorney-in-fact.

Comment. Subdivision (a) of Section 4202 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.707(1) (Vernon 1990). This section is subject to limitation in the power of attorney. See Section 4101 (priority of provisions of power of attorney). The power of attorney may provide that the authority conferred on two or more attorneys-in-fact shall or may be exercised either jointly or severally or in a manner, with the priority, and with respect to particular subjects, provided in the power of attorney.

The default rule requiring unanimous action in subdivision (b) is the same in substance as the rule applicable under the statutory form power of attorney. See Section 4401.

Subdivisions (b)-(d) are comparable to the rules applicable to multiple trustees under Sections 15620-15622.

Subdivision (e) is comparable to the general rule as to cotrustees in Section 16402(a).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4203. Successor attorneys-in-fact

4203. (a) A principal may designate one or more successor attorneys-in-fact to act if the authority of a predecessor attorney-in-fact terminates.

(b) The principal may grant authority to another person, designated by name, by office, or by function, including the initial and any successor attorneys-in-fact, to designate at any time one or more successor attorneys-in-fact.

(c) A successor attorney-in-fact is not liable for the actions of the predecessor attorney-in-fact.

Comment. Section 4203 is drawn in part from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.723(2)-(3) (Vernon 1990). For events that terminate the authority of an attorney-in-fact, see Section 4152.

Subdivision (c) is drawn from the general rule as to successor trustees in Section 16403(a).

A successor attorney-in-fact is the same as an original attorney-in-fact under this division. See Section 4014(b) (“attorney-in-fact” includes successor or alternate attorney-in-fact). See also Sections 4018 (“durable power of attorney” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4204. Compensation of attorney-in-fact

4204. An attorney-in-fact is entitled to reasonable compensation for services rendered to the principal as attorney-in-fact and to reimbursement for reasonable expenses incurred as a result of acting as attorney-in-fact.

Comment. Section 4204 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.725 (Vernon 1990). This section is comparable to Sections 15681 (trustee’s compensation) and 15684(a) (reimbursement for trustee’s expenses). In many situations, a relative acting as an attorney-in-fact under a durable power of attorney expects to act for the principal as an accommodation. Normally, while the principal is not disabled, such service will be infrequent and will not involve substantial time. However, with the prospect that if the principal becomes disabled or incapacitated, substantial time, effort, and expense may be required of the attorney-in-fact and any successor attorneys-in-fact extending over a long period of time, compensation may be important. A definite understanding regarding compensation may be included in the power of attorney or in a separate agreement. Reimbursement of expenses would be expected to include the cost of bookkeeping, tax, and legal services incurred by the attorney-in-fact in performing duties on the principal’s behalf. It would also include the cost of preparing an accounting and any travel or personal expense incurred by the attorney-in-fact. This section is subject to limitation in the power of attorney. See Section 4101 (priority of provisions of power of attorney).

See Section 4231(b) (effect of compensation on standard of care). See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined).

§ 4205. Delegation of attorney-in-fact's authority

4205. (a) An attorney-in-fact may revocably delegate authority to perform mechanical acts to one or more persons qualified to exercise the authority delegated.

(b) The attorney-in-fact making a delegation remains responsible to the principal for the exercise or nonexercise of the delegated authority.

Comment. Subdivision (a) of Section 4205 is drawn from Civil Code Section 2349. As provided in subdivision (b), delegation does not relieve the attorney-in-fact of responsibility for the acts of subagents. This section is subject to limitation in the power of attorney. See Section 4101 (priority of provisions of power of attorney).

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined).

§ 4206. Relation of attorney-in-fact to court-appointed fiduciary

4206. (a) If, following execution of a durable power of attorney, a court of the principal's domicile appoints a conservator of the estate, guardian of the estate, or other fiduciary charged with the management of all of the principal's property or all of the principal's property except specified exclusions, the attorney-in-fact is accountable to the fiduciary as well as to the principal. Except as provided in subdivision (b), the fiduciary has the same power to revoke or amend the durable power of attorney that the principal would have had if not incapacitated, subject to any required court approval.

(b) If a conservator of the estate is appointed by a court of this state, the conservator can revoke or amend the durable power of attorney only if the court in which the conservatorship proceeding is pending has first made an order authorizing or requiring the fiduciary to modify or revoke the durable power of attorney and the modification or revocation is in accord with the order.

(c) This section does not apply to a durable power of attorney for health care.

(d) This section is not subject to limitation in the power of attorney.

Comment. Section 4206 continues former Civil Code Section 2402(a) without substantive change. Subdivision (a) is substantially the same as the official text of Section 3(a) of the Uniform Durable Power of Attorney Act (1979), Uniform Probate Code Section 5-503(a) (1991), with several clarifying changes. “Conservator of the estate” has been substituted for “conservator.” This change is consistent with the concept of the Uniform Act that the fiduciary to whom the attorney-in-fact under a durable power is accountable and who may revoke or amend the durable power includes only a fiduciary charged with the management of the principal’s estate and does not include a person appointed only to exercise protective supervision over the person of the principal. See Unif. Durable Power of Attorney Act § 3 comment (1979); Unif. Prob. Code § 5-503 comment (1991). The reference in the Uniform Act to the principal’s “disability” is omitted to conform with other provisions of this division. The authority of the fiduciary to revoke or amend is the same as in the official text of Section 3(a) of the Uniform Durable Power of Attorney Act, except that the possibility of a requirement of court approval is recognized, as in subdivision (b) which applies to California conservators.

For provisions concerning the powers of conservators, see, e.g., Sections 2252 (powers of temporary conservator), 2403 (petition for instructions), 2580 (petition for proposed action). See also Sections 2(b) (construction of provisions drawn from uniform acts), 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4026 (“principal” defined).

§ 4207. Resignation of attorney-in-fact

4207. (a) An attorney-in-fact may resign by any of the following means:

(1) If the principal is competent, by giving notice to the principal.

(2) If a conservator has been appointed, by giving notice to the conservator.

(3) On written agreement of a successor who is designated in the power of attorney or pursuant to the terms of the power of attorney to serve as attorney-in-fact.

(4) Pursuant to a court order.

(b) This section is not subject to limitation in the power of attorney.

Comment. Section 4207 is new. For judicial procedures for approving the attorney-in-fact's resignation, see Sections 4941(e) (petition as to power of attorney other than durable power of attorney for health care), 4942(e) (petition as to durable power of attorney for health care).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined).

Article 2. Duties of Attorneys-in-Fact

§ 4230. When duties commence

4230. (a) Except as provided in subdivisions (b) and (c), a person who is designated as an attorney-in-fact has no duty to exercise the authority granted in the power of attorney and is not subject to the other duties of an attorney-in-fact, regardless of whether the principal has become incapacitated, is missing, or is otherwise unable to act.

(b) Acting for the principal in one or more transactions does not obligate an attorney-in-fact to act for the principal in a subsequent transaction, but the attorney-in-fact has a duty to complete a transaction that the attorney-in-fact has commenced.

(c) If an attorney-in-fact has expressly agreed in writing to act for the principal, the attorney-in-fact has a duty to act pursuant to the terms of the agreement. The agreement to act on behalf of the principal is enforceable against the attorney-in-fact as a fiduciary regardless of whether there is any consideration to support a contractual obligation.

Comment. Section 4230 is drawn in part from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.705(4) (Vernon 1990). Subdivision (a) makes clear that being named as an attorney-in-fact under a durable or nondurable power of attorney imposes no duty on the named person to act. This is true even if the attorney-in-fact knows of the designation and has received the power of attorney. A duty to act under this part arises only by reason of an express agreement in writing, as provided in subdivision (c). Reliance is not sufficient to impose a legal

duty to act, as provided in subdivision (b). However, a particular transaction must be completed.

This section recognizes that many powers of attorney are given and accepted as a gratuitous accommodation by the attorney-in-fact. The principal wants someone to have the ability to act if something needs to be done, but rarely would the principal expect to impose a duty to act on a friend or family member if the attorney-in-fact chooses not to do so. Consequently, unless the attorney-in-fact has agreed to act, accepting a power of attorney designation imposes no duty to act and the named person may even renounce the designation. The person named as attorney-in-fact may also merely wait until the situation arises and then determine whether to act. The person may refuse to act because of personal inconvenience at the time of becoming involved, or for any other reason, and is not required to justify a decision not to act. The person named as attorney-in-fact may believe that there are others in a better position to act for the principal or that the situation really warrants appointment of a court-supervised guardian or conservator. However, once the attorney-in-fact undertakes to act under the power of attorney, the transaction is governed by the duties imposed in the law to act as a fiduciary. See subdivision (c).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4231. Duty of care and skill; liability for losses

4231. (a) Except as provided in subdivisions (b) and (c), in dealing with property of the principal, an attorney-in-fact shall observe the standard of care that would be observed by a prudent person dealing with property of another and is not limited by any other statute restricting investments by fiduciaries.

(b) If an attorney-in-fact is not compensated, the attorney-in-fact is not liable for a loss to the principal’s property unless the loss results from the attorney-in-fact’s bad faith, intentional wrongdoing, or gross negligence.

(c) An attorney-in-fact who has special skills or expertise or was designated as an attorney-in-fact on the basis of representations of special skills or expertise shall observe the standard of care that would be observed by others with similar skills or expertise.

Comment. Subdivisions (a) and (b) of Section 4231 are drawn from the standard applicable to custodians under Section 3912(b) (California Uniform Transfers to Minors Act). See also Section 4204 (compensation of attorneys-in-fact). The prudent person standard in subdivision (a) is generally consistent with the standard applicable under general agency law. See Restatement (Second) of Agency § 379 (1957).

Subdivision (c) is consistent with the general rule concerning expert fiduciaries stated in the cases. See the discussions in *Estate of Collins*, 72 Cal. App. 3d 663, 673, 139 Cal. Rptr. 644 (1977); *Coberly v. Superior Court*, 231 Cal. App. 2d 685, 689, 42 Cal. Rptr. 64 (1965); *Estate of Beach*, 15 Cal. 3d 623, 635, 542 P.2d 994, 125 Cal. Rptr. 570 (1975) (bank as executor); see also Section 4237 (attorney-in-fact's duty to use special skills); Section 2401 Comment (standard of care applicable to professional guardian or conservator of estate); Section 3912 Comment (standard of care applicable to professional fiduciary acting as custodian under California Uniform Transfers to Minors Act); Section 16040 Comment (standard of care applicable to expert trustee).

This section is subject to limitation in the power of attorney. See Section 4101 (priority of provisions of power of attorney).

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined).

§ 4232. Duty of loyalty

4232. (a) An attorney-in-fact has a duty to act in the interest of the principal and to avoid conflicts of interest.

(b) An attorney-in-fact is not in violation of the duty provided in subdivision (a) solely because the attorney-in-fact also benefits from acting for the principal, has conflicting interests in relation to the property, care, or affairs of the principal, or acts in an inconsistent manner regarding the respective interests of the principal and the attorney-in-fact.

Comment. The first sentence of Section 4232 restates the substance of part of Civil Code Section 2322(c) in the general agency rules. This section omits the requirement that the attorney-in-fact act “solely” in the principal’s interest and the detail concerning avoiding conflicts of interest. The duty of loyalty is also consistent with Civil Code Section 2306 (agent not to defraud principal). Unlike Civil Code Section 2322(c), Section 4232 is stated as an affirmative duty, rather than a prohibition against violation of a duty applicable to trustees under Section 16002. The duty of loyalty of an attorney-in-fact to the principal is subject to the

limitations in Section 4230 relating to commencement of the duties of an attorney-in-fact under a power of attorney.

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4233. Duty to keep principal’s property separate and identified

4233. (a) The attorney-in-fact shall keep the principal’s property separate and distinct from other property in a manner adequate to identify the property clearly as belonging to the principal.

(b) An attorney-in-fact holding property for a principal complies with subdivision (a) if the property is held in the name of the principal or in the name of the attorney-in-fact as attorney-in-fact for the principal.

Comment. Section 4233 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.712 (Vernon 1990). This section is consistent with the general agency rule in Civil Code Section 2322(c) which formerly applied to powers of attorney. Unlike Civil Code Section 2322(c), Section 4233 is stated as an affirmative duty, rather than a prohibition against violation of a duty applicable to trustees under Section 16009.

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4234. Duty to keep principal informed and follow instructions

4234. (a) To the extent reasonably practicable under the circumstances, an attorney-in-fact has a duty to keep in regular contact with the principal, to communicate with the principal, and to follow the instructions of the principal.

(b) With court approval, the attorney-in-fact may disobey instructions of the principal.

Comment. Section 4234 is drawn from general agency rules. The duty to follow the principal’s instructions is consistent with the general agency rule in Civil Code Section 2309. See also Civ. Code § 2019 (agent not to exceed limits of actual authority). The duty to communicate with the principal is consistent with the general agency rule in Civil Code Sections 2020 and 2332.

Subdivision (b) is a limitation on the general agency rule in Civil Code Section 2320 (power to disobey instructions). For provisions relating to judicial proceedings, see Section 4900 *et seq.*

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4235. Consultation and disclosure

4235. If the principal becomes wholly or partially incapacitated, or if there is a question concerning the capacity of the principal to give instructions to and supervise the attorney-in-fact, the attorney-in-fact may consult with a person previously designated by the principal for this purpose, and may also consult with and obtain information needed to carry out the attorney-in-fact’s duties from the principal’s spouse, physician, attorney, accountant, a member of the principal’s family, or other person, business entity, or government agency with respect to matters to be undertaken on the principal’s behalf and affecting the principal’s personal affairs, welfare, family, property, and business interests. A person from whom information is requested shall disclose relevant information to the attorney-in-fact. Disclosure under this section is not a waiver of any privilege that may apply to the information disclosed.

Comment. Section 4235 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.714(4) (Vernon 1990). This section does not provide anything inconsistent with permissible practice under former law, but is intended to recognize the desirability of consultation in appropriate circumstances and provide assurance to third persons that consultation with the attorney-in-fact is proper and does not contravene privacy rights. As to the right to obtain medical records under the durable power of attorney for health care, see Section 4721. See also Section 4455(f) (receipt of bank statements, etc., under statutory form powers of attorney). The right to obtain information may be enforced pursuant to Section 4941(f).

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined).

§ 4236. Duty to keep records and account; availability of records to other persons

4236. (a) The attorney-in-fact shall keep records of all transactions entered into by the attorney-in-fact on behalf of the principal.

(b) The attorney-in-fact does not have a duty to make an account of transactions entered into on behalf of the principal, except in the following circumstances:

(1) At any time requested by the principal.

(2) Where the power of attorney requires the attorney-in-fact to account and specifies to whom the account is to be made.

(3) On request by the conservator of the estate of the principal while the principal is living.

(4) On request by the principal's personal representative or successor in interest after the death of the principal.

(5) Pursuant to court order.

(c) The following persons are entitled to examine and copy the records kept by the attorney-in-fact:

(1) The principal.

(2) The conservator of the estate of the principal while the principal is living.

(3) The principal's personal representative or successor in interest after the death of the principal.

(4) Any other person, pursuant to court order.

(d) This section is not subject to limitation in the power of attorney.

Comment. Section 4236 is drawn in part from Minnesota law. See Minn. Stat. Ann. § 523.21 (West Supp. 1994). For provisions relating to judicial proceedings, see Section 4900 *et seq.*

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4237. Duty to use special skills

4237. An attorney-in-fact with special skills has a duty to apply the full extent of those skills.

Comment. Section 4237 is comparable to Section 16014(a) applicable to trustees. See also Section 4231(c) (expert standard of care). This section is subject to limitation in the power of attorney. See Section 4101 (priority of provisions of power of attorney).

See also Section 4014 (“attorney-in-fact” defined).

§ 4238. Attorney-in-fact’s duties on termination of authority

4238. (a) On termination of an attorney-in-fact’s authority, the attorney-in-fact shall promptly deliver possession or control of the principal’s property as follows:

(1) If the principal is not incapacitated, to the principal or as directed by the principal.

(2) If the principal is incapacitated, to the following persons with the following priority:

(A) To a qualified successor attorney-in-fact.

(B) As to any community property, to the principal’s spouse.

(C) To the principal’s conservator of the estate or guardian of the estate.

(3) In the case of the death of the principal, to the principal’s personal representative, if any, or the principal’s successors.

(b) On termination of an attorney-in-fact’s authority, the attorney-in-fact shall deliver copies of any records relating to transactions undertaken on the principal’s behalf that are requested by the person to whom possession or control of the property is delivered.

(c) Termination of an attorney-in-fact’s authority does not relieve the attorney-in-fact of any duty to render an account of actions taken as attorney-in-fact.

(d) The attorney-in-fact has the powers reasonably necessary under the circumstances to perform the duties provided by this section.

Comment. Section 4238 is new. The rules concerning duties on termination of the attorney-in-fact’s authority are drawn in part from Section 15644 (delivery of property by former trustee upon occurrence of

vacancy). This section is subject to limitation in the power of attorney. See Section 4101 (priority of provisions of power of attorney). For other rules concerning the attorney-in-fact's relation with court-appointed fiduciaries under a durable power of attorney, see Section 4206.

See also Sections 4014 ("attorney-in-fact" defined), 4026 ("principal" defined).

Article 3. Authority of Attorneys-in-Fact

§ 4260. Limitation on article

4260. This article does not apply to the following:

(a) Statutory form powers of attorney under Part 3 (commencing with Section 4400).

(b) Durable powers of attorney for health care under Part 4 (commencing with Section 4600).

Comment. Section 4260 limits the application of this article. Statutory form powers of attorney and durable power of attorney for health care have special rules concerning the authority of attorneys-in-fact.

§ 4261. General power of attorney

4261. If a power of attorney grants general authority to an attorney-in-fact and is not limited to one or more express actions, subjects, or purposes for which general authority is conferred, the attorney-in-fact has all the authority to act that a person having the capacity to contract may carry out through an attorney-in-fact specifically authorized to take the action.

Comment. Section 4261 is new and provides for the broadest possible authority in a general power of attorney. For specific limitations applicable to this section, see Sections 4264 (authority that must be specifically authorized), 4265 (actions that may not be taken by an attorney-in-fact).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined).

§ 4262. Limited power of attorney

4262. Subject to this article, if a power of attorney grants limited authority to an attorney-in-fact, the attorney-in-fact has the following authority:

(a) The authority granted in the power of attorney, as limited with respect to permissible actions, subjects, or purposes.

(b) The authority incidental, necessary, or proper to carry out the granted authority.

Comment. Section 4262 is drawn from Section 16200 governing the general powers of a trustee. The introductory clause recognizes that there are specific limitations on the general powers granted by this section. See Sections 4264 (powers that must be specifically enumerated), 4265 (excluded authority), 4266 (exercise of authority subject to duties). Subdivision (a) is consistent with the general agency rule in Civil Code Sections 2315 and 2318. Subdivision (b) is comparable to an agent's authority to do "everything necessary or proper and usual, in the ordinary course of business, for effecting the purpose of his agency" provided as to agents generally in Civil Code Section 2319(1).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined).

§ 4263. Incorporation of authority

4263. (a) A power of attorney may grant authority to the attorney-in-fact by incorporating powers by reference to another statute, including, but not limited to, the following:

(1) Powers of attorneys-in-fact provided by the Uniform Statutory Form Power of Attorney Act (Part 3 (commencing with Section 4400)).

(2) Powers of guardians and conservators provided by Chapter 5 (commencing with Section 2350) and Chapter 6 (commencing with Section 2400) of Part 4 of Division 4.

(3) Powers of trustees provided by Chapter 2 (commencing with Section 16200) of Part 4 of Division 9.

(b) Incorporation by reference to another statute includes any amendments made to the incorporated provisions after the date of execution of the power of attorney.

Comment. Section 4263 is new. Subdivision (b) is subject to limitation in the power of attorney. See Section 4101 (priority of provisions of power of attorney).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined).

§ 4264. Authority that must be specifically granted

4264. A power of attorney may not be construed to grant authority to an attorney-in-fact to perform any of the following acts unless expressly authorized in the power of attorney:

(a) Create, modify, or revoke a trust.

(b) Fund with the principal’s property a trust not created by the principal or a person authorized to create a trust on behalf of the principal.

(c) Make or revoke a gift of the principal’s property in trust or otherwise.

(d) Disclaim a gift or devise of property to or for the benefit of the principal.

(e) Create or change survivorship interests in the principal’s property or in property in which the principal may have an interest.

(f) Designate or change the designation of beneficiaries to receive any property, benefit, or contract right on the principal’s death.

Comment. Section 4264 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.710(6) (Vernon 1990). This section is consistent with the general agency rule in Civil Code Section 2304.

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4265. Excluded authority

4265. A power of attorney may not authorize an attorney-in-fact to perform any of the following acts:

(a) Make, publish, declare, amend, or revoke the principal’s will.

(b) Consent to any action under a durable power of attorney for health care forbidden by Section 4722.

Comment. Section 4265 is consistent with the general agency rule in Civil Code Section 2304. See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined).

§ 4266. Exercise of authority subject to duties

4266. The grant of authority to an attorney-in-fact, whether by the power of attorney, by statute, or by the court, does not in itself require or permit the exercise of the power. The exercise of authority by an attorney-in-fact is subject to the attorney-in-fact’s fiduciary duties.

Comment. Section 4266 is drawn from Section 16202 (exercise of trustee’s powers). See Sections 4230-4238 (duties of attorneys-in-fact). See also 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined).

CHAPTER 5. RELATIONS WITH THIRD PERSONS

§ 4300. Third persons required to respect attorney-in-fact’s authority

4300. A third person shall accord an attorney-in-fact acting pursuant to the provisions of a power of attorney the same rights and privileges that would be accorded the principal if the principal were personally present and seeking to act.

Comment. Section 4300 is new. This section provides the basic rule concerning the position of an attorney-in-fact: that the attorney-in-fact acts in place of the principal, within the scope of the power of attorney, and is to be treated as if the principal were acting.

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined), 4034 (“third person” defined).

§ 4301. Reliance by third person on general authority

4301. A third person may rely on, contract with, and deal with an attorney-in-fact with respect to the subjects and purposes encompassed or expressed in the power of attorney without regard to whether the power of attorney expressly authorizes the specific act, transaction, or decision by the attorney-in-fact.

Comment. Section 4301 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.710(8) (Vernon 1990).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4034 (“third person” defined).

§ 4302. Identification of attorney-in-fact

4302. When requested to engage in transactions with an attorney-in-fact, a third person, before incurring any duty to comply with the power of attorney, may require the attorney-in-fact to provide identification, specimens of the signatures of the principal and the attorney-in-fact, and any other information reasonably necessary or appropriate to identify the attorney-in-fact and to facilitate the actions of the third person in transacting business with the attorney-in-fact.

Comment. Section 4302 is drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.719(4) (Vernon 1990). See also former Civ. Code § 2512(a)(1) (presentation by attorney-in-fact named in power of attorney) & Comment.

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined), 4034 (“third person” defined).

§ 4303. Protection of third person relying in good faith on durable power of attorney

4303. (a) A third person who acts in good faith reliance on a power of attorney is not liable to the principal or to any other person for so acting if all of the following requirements are satisfied:

(1) The power of attorney is presented to the third person by the attorney-in-fact designated in the power of attorney.

(2) The power of attorney appears on its face to be valid.

(3) The power of attorney includes a notary public's certificate of acknowledgment or is signed by two witnesses.

(b) Nothing in this section is intended to create an implication that a third person is liable for acting in reliance on a power of attorney under circumstances where the requirements of subdivision (a) are not satisfied. Nothing in this section affects any immunity that may otherwise exist apart from this section.

Comment. Section 4303 continues former Civil Code Section 2512 without substantive change. This section is intended to ensure that a power of attorney, whether durable or nondurable, will be accepted and relied on by third persons. The person presenting the power of attorney must actually be the attorney-in-fact designated in the power of attorney. If the person purporting to be the attorney-in-fact is an impostor, the immunity does not apply. The third person can rely in good faith on the notary public's certificate of acknowledgment or the signatures of the witnesses that the person who executed the power of attorney is the principal.

Subdivision (b) makes clear that this section provides an immunity from liability where the requirements of the section are satisfied. This section has no relevance in determining whether or not a third person who acts in reliance on a power of attorney is liable under the circumstances where, for example, the power of attorney does not include a notary public's certificate of acknowledgment.

For other immunity provisions not affected by Section 4303, see, e.g., Sections 4128(c) (reliance in good faith upon durable power of attorney not containing "warning" statement required by Section 4128), 4301 (reliance by third person on general authority), 4304 (lack of knowledge of death or incapacity of principal). See also Section 3720 ("Any person who acts in reliance upon the power of attorney [of an absentee as defined in Section 1403] when accompanied by a copy of a certificate of missing status is not liable for relying or acting upon the power of attorney."). Section 4303 does not apply to health care providers. See Sections 4050 (powers subject to this division), 4750 (immunities of health care provider).

See also Sections 4014 ("attorney-in-fact" defined), 4018 ("durable power of attorney" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined), 4034 ("third person" defined).

§ 4304. Effect of death or incapacity of principal

4304. (a) The death of a principal who has executed a power of attorney, whether durable or nondurable, does not revoke or terminate the agency as to the attorney-in-fact or a third person who, without actual knowledge of the principal's death, acts in good faith under the power of attorney. Any action so taken, unless otherwise invalid or unenforceable, binds the principal's successors in interest.

(b) The incapacity of a principal who has previously executed a nondurable power of attorney does not revoke or terminate the agency as to the attorney-in-fact or a third person who, without actual knowledge of the incapacity of the principal, acts in good faith under the power of attorney. Any action so taken, unless otherwise invalid or unenforceable, binds the principal and the principal's successors in interest.

Comment. Section 4304 continues former Civil Code Section 2403 without substantive change. This section is the same in substance as the official text of Section 4 of the Uniform Durable Power of Attorney Act (1979), Uniform Probate Code Section 5-504 (1990), except that the reference to the principal's "disability" is omitted. See Section 2(b) (construction of provisions drawn from uniform acts). Under Section 4155, it is the principal's incapacity to contract which would otherwise terminate the power of attorney.

See also Sections 4014 ("attorney-in-fact" defined), 4018 ("durable power of attorney" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined), 4034 ("third person" defined).

§ 4305. Affidavit of lack of knowledge of termination of power

4305. (a) As to acts undertaken in good faith reliance thereon, an affidavit executed by the attorney-in-fact under a power of attorney, whether durable or nondurable, stating that, at the time of the exercise of the power, the attorney-in-fact did not have actual knowledge of the termination of the power of attorney or the attorney-in-fact's authority by revocation or of the principal's death or incapacity is conclusive proof of the nonrevocation or nontermination of the power at that time. If the exercise of the power of attorney

requires execution and delivery of any instrument that is recordable, the affidavit when authenticated for record is likewise recordable.

(b) This section does not affect any provision in a power of attorney for its termination by expiration of time or occurrence of an event other than express revocation or a change in the principal's capacity.

Comment. Section 4305 continues former Civil Code Section 2404 without substantive change. A reference to the attorney-in-fact's authority has also been added in subdivision (a) for consistency with other provisions in this part. See, e.g., Section 4152 (termination of attorney-in-fact's authority). This section is the same as the official text of Section 5 of the Uniform Durable Power of Attorney Act (1979), Uniform Probate Code Section 5-505 (1990), except that the reference to the principal's "disability" is omitted. See Section 2(b) (construction of provisions drawn from uniform acts). Under Section 4155, it is the principal's incapacity to contract which would otherwise terminate the power of attorney.

See also Sections 4014 ("attorney-in-fact" defined), 4018 ("durable power of attorney" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4306. Reliance on attorney-in-fact's affidavit

4306. (a) If the attorney-in-fact furnishes an affidavit pursuant to Section 4305, whether voluntarily or on demand, a third person dealing with the attorney-in-fact who refuses to accept the exercise of an attorney-in-fact's authority referred to in the affidavit is liable for attorney's fees incurred in an action or proceeding necessary to confirm the attorney-in-fact's qualifications or authority, unless the court determines that the third person believed in good faith that the attorney-in-fact was not qualified or was attempting to exceed or improperly exercise the attorney-in-fact's authority.

(b) A third person's failure to demand an affidavit pursuant to Section 4305 does not affect the protection provided the third person by this chapter, and no inference as to whether a

third person has acted in good faith may be drawn from the failure to demand an affidavit from the attorney-in-fact.

Comment. Section 4306 is analogous to the rule applicable to third persons dealing with trustees. See Section 18100.5(c)-(d) (reliance on trustee's affidavit, liability for attorney's fees). Unless the court determines that the third person refused in good faith to rely on the attorney-in-fact's affidavit, subdivision (a) imposes liability on the third person for attorney's fees in a proceeding needed to confirm exercise of a power. This provision is intended to make powers of attorney more effective and avoid the need to seek judicial confirmation of the existence of a power. The liability under subdivision (a) applies only where the attorney-in-fact executes an affidavit, whether voluntarily or on demand. If the attorney-in-fact has not executed an affidavit, a third person may refuse to recognize the attorney-in-fact's authority even though the third person would be fully protected under this chapter.

Subdivision (b) makes clear that the failure to require the attorney-in-fact to execute an affidavit does not affect the protection provided to the third person by this chapter, and no inference as to whether a third person has acted in good faith should be drawn from the failure to request an affidavit. Consequently, a third person who satisfies the requirements of this chapter is fully protected. The availability of the affidavit is not intended to detract from the general protection provided in this chapter.

See also Sections 4014 ("attorney-in-fact" defined), 4034 ("third person" defined).

§ 4307. Certified copy of power of attorney

4307. (a) A copy of a power of attorney certified under this section has the same force and effect as the original power of attorney.

(b) A copy of a power of attorney may be certified by any of the following:

- (1) An attorney authorized to practice law in this state.
- (2) A notary public in this state.
- (3) An official of a state or of a political subdivision who is authorized to make certifications.

(c) The certification shall state that the certifying person has examined the original power of attorney and the copy and that the copy is a true and correct copy of the original power of attorney.

Comment. Section 4307 is new. This section facilitates use of a power of attorney executed in this state as well as powers of attorney executed in other states.

See also Section 4022 (“power of attorney” defined).

§ 4308. When third person charged with employee’s knowledge

4308. A third person who conducts activities through employees is not charged under this chapter with actual knowledge of any fact relating to a power of attorney, nor of a change in the authority of an attorney-in-fact, unless both of the following requirements are satisfied:

(a) The information is received at a home office or a place where there is an employee with responsibility to act on the information.

(b) The employee has a reasonable time in which to act on the information using the procedure and facilities that are available to the third person in the regular course of its operations.

Comment. Section 4308 is a new provision drawn from the Missouri Durable Power of Attorney Law. See Mo. Ann. Stat. § 404.719(3) (Vernon 1990).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4034 (“third person” defined).

PART 3 . UNIFORM STATUTORY FORM
POWER OF ATTORNEY

CHAPTER 1. GENERAL PROVISIONS

§ 4400. Short title

4400. This part may be cited as the Uniform Statutory Form Power of Attorney Act.

Comment. Section 4400 continues former Civil Code Section 2482 without change. This part is substantially the same as the Uniform Statutory Form Power of Attorney Act (1988). Section 4400 is the same as Section 19 of the Uniform Act. See Section 2(b) (construction of provisions drawn from uniform acts). See also Section 11 (severability of provisions).

§ 4401. Statutory form power of attorney

4401. The following statutory form power of attorney is legally sufficient when the requirements of Section 4402 are satisfied:

UNIFORM STATUTORY FORM POWER OF ATTORNEY

(California Probate Code § 4401)

NOTICE: THE POWERS GRANTED BY THIS DOCUMENT ARE BROAD AND SWEEPING. THEY ARE EXPLAINED IN THE UNIFORM STATUTORY FORM POWER OF ATTORNEY ACT (CALIFORNIA PROBATE CODE SECTIONS 4400-4465). IF YOU HAVE ANY QUESTIONS ABOUT THESE POWERS, OBTAIN COMPETENT LEGAL ADVICE. THIS DOCUMENT DOES NOT AUTHORIZE ANYONE TO MAKE MEDICAL AND OTHER HEALTH-CARE DECISIONS FOR YOU. YOU MAY REVOKE THIS POWER OF ATTORNEY IF YOU LATER WISH TO DO SO.

I _____
(your name and address)

appoint _____
(name and address of the person appointed, or of each person appointed if you want to designate more than one)

as my agent (attorney-in-fact) to act for me in any lawful way with respect to the following initialed subjects:

TO GRANT ALL OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF (N) AND IGNORE THE LINES IN FRONT OF THE OTHER POWERS.

TO GRANT ONE OR MORE, BUT FEWER THAN ALL, OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF EACH POWER YOU ARE GRANTING.

TO WITHHOLD A POWER, DO NOT INITIAL THE LINE IN FRONT OF IT. YOU MAY, BUT NEED NOT, CROSS OUT EACH POWER WITHHELD.

INITIAL

- _____ (A) Real property transactions.
- _____ (B) Tangible personal property transactions.
- _____ (C) Stock and bond transactions.
- _____ (D) Commodity and option transactions.
- _____ (E) Banking and other financial institution transactions.
- _____ (F) Business operating transactions.
- _____ (G) Insurance and annuity transactions.
- _____ (H) Estate, trust, and other beneficiary transactions.
- _____ (I) Claims and litigation.
- _____ (J) Personal and family maintenance.
- _____ (K) Benefits from social security, medicare, medicaid, or other governmental programs, or civil or military service.

- _____ (L) Retirement plan transactions.
- _____ (M) Tax matters.
- _____ (N) ALL OF THE POWERS LISTED ABOVE.

YOU NEED NOT INITIAL ANY OTHER LINES IF YOU INITIAL LINE (N).

SPECIAL INSTRUCTIONS:

ON THE FOLLOWING LINES YOU MAY GIVE SPECIAL INSTRUCTIONS LIMITING OR EXTENDING THE POWERS GRANTED TO YOUR AGENT.

UNLESS YOU DIRECT OTHERWISE ABOVE, THIS POWER OF ATTORNEY IS EFFECTIVE IMMEDIATELY AND WILL CONTINUE UNTIL IT IS REVOKED.

This power of attorney will continue to be effective even though I become incapacitated.

STRIKE THE PRECEDING SENTENCE IF YOU DO NOT WANT THIS POWER OF ATTORNEY TO CONTINUE IF YOU BECOME INCAPACITATED.

EXERCISE OF POWER OF ATTORNEY WHERE MORE THAN ONE AGENT DESIGNATED

If I have designated more than one agent, the agents are to act _____ .

IF YOU APPOINTED MORE THAN ONE AGENT AND YOU WANT EACH AGENT TO BE ABLE TO ACT ALONE WITHOUT THE OTHER AGENT JOINING, WRITE THE WORD "SEPARATELY" IN THE BLANK SPACE ABOVE. IF YOU DO NOT INSERT ANY WORD IN THE BLANK SPACE, OR IF YOU INSERT THE WORD "JOINTLY", THEN ALL OF YOUR AGENTS MUST ACT OR SIGN TOGETHER.

I agree that any third party who receives a copy of this document may act under it. Revocation of the power of attorney is not effective as to a third party until the third party has actual knowledge of the revocation. I agree to indemnify the third party for any claims that arise against the third party because of reliance on this power of attorney.

Signed this _____ day of _____, 19__

(your signature)

(your social security number)

State of _____ County of _____

BY ACCEPTING OR ACTING UNDER THE APPOINTMENT, THE AGENT ASSUMES THE FIDUCIARY AND OTHER LEGAL RESPONSIBILITIES OF AN AGENT.

[Include certificate of acknowledgment of notary public in compliance with Section 1189 of the Civil Code or other applicable law.]

Comment. Section 4401 continues former Civil Code Section 2475 [as amended by AB 346, 1993 Cal. Stat. ch. 141, § 2] without change, except for the revision of cross-references to other provisions, the restoration of language erroneously omitted in 1993, and inclusion of a general reference to the law governing the notary's certificate of acknowledgment. Section 4401 is the same in substance as Section 1(a) of the Uniform Statutory Form Power of Attorney Act (1988), with the addition of provisions to permit designation of co-agents. See Section 2(b) (construction of provisions drawn from uniform acts).

The provisions added by former Civil Code Section 2475 were drawn from the former Statutory Short Form Power of Attorney statute. See former Civ. Code § 2450 (repealed by 1990 Cal. Stat. ch. 986, § 1). The acknowledgment portion of the form was revised to be consistent with the form used under California law. The word "incapacitated" was substituted for the words "disabled, incapacitated, or incompetent" used in the Uniform Act. This substitution conforms the statutory form to the California version of the Uniform Durable Power of Attorney Act. See Section 4018 requirements for creation of durable power of attorney).

Section 4401 provides the text of the form that is sufficient and necessary to bring this part into operation. The statutory form can be used in whole or part instead of individually drafted forms or forms adapted from a form book.

A form used to create a power of attorney subject to this part should use the language provided in Section 4401. Minor variances in wording will not take it out of the scope of the part. For example, the use of the language of the official text of the Uniform Act in the last paragraph of the text of the statutory form (protection of third party who receives a copy of the statutory form power of attorney and acts in reliance on it) instead of the language provided in Section 4401 does not take the form out of the scope of this part. See Section 4402(a). Nor does the omission of the provisions relating to designation of co-agents take the form out of the scope of this part. See Section 4402(a).

After the introductory phrase, the term "agent" is used throughout the Uniform Act in place of the longer and less familiar "attorney-in-fact." Special effort is made throughout the Uniform Act to make the language as informal as possible without impairing its effectiveness.

The statutory form contains a list of powers. The powers listed relate to various separate classes of activities, except the last, which includes all the others. Health care matters are not included. See Sections 4609 ("health care" defined), 4612 ("health care decision" defined). For a durable power of attorney form for health care, see Section 4771.

Space is provided in the statutory form for "Special Instructions." In this space, the principal can add specially drafted provisions limiting or

extending the powers granted to the agent. (If the space provided is not sufficient, a reference can be made in this space to an attached sheet or sheets, and the special provisions can be included on the attached sheet or sheets.)

The statutory form contains only a limited list of powers. If it is desired to give the agent the broadest possible powers, language similar to the following can be added under the “Special Instructions” portion of the form:

In addition to all of the powers listed in lines (A) to (M) above, I grant to my agent full power and authority to act for me, in any way which I myself could act if I were personally present and able to act, with respect to all other matters and affairs not listed in lines (A) to (M) above, but this authority does not include authority to make health care decisions.

Neither the form in this section, nor the constructional provisions in Sections 4450-4464, attempt to allow the grant of the power to make a will or to give the agent extensive estate planning authority, although several of the powers, especially lines (G), (H), and (L) of the statutory form, may be useful in planning the disposition of an estate. An individually tailored power of attorney can be used if the principal wants to give the agent extensive estate planning authority, or additional estate planning powers can be granted to the agent by stating those additional powers in the space provided in the form for “Special Instructions.” For example, provisions like the following might be included under the special instructions portion of the statutory form:

In addition to the powers listed in lines (A) to (M) above, the agent is empowered to do all of the following:

- (1) Establish a trust with property of the principal for the benefit of the principal and the spouse and descendants of the principal, or any one or more of them, upon such terms as the agent determines are necessary or proper, and transfer any property in which the principal has an interest to the trust.
- (2) Exercise in whole or in part, release, or let lapse any power the principal may have under any trust whether or not created by the principal, including any power of appointment, revocation, or withdrawal, but a trust created by the principal may only be modified or revoked by the agent as provided in the trust instrument.
- (3) Make a gift, grant, or other transfer without consideration to or for the benefit of the spouse or descendants of the principal or a charitable organization, or more than one or all of them, either outright

or in trust, including the forgiveness of indebtedness and the completion of any charitable pledges the principal may have made; consent to the splitting of gifts under Internal Revenue Code Section 2513, or successor Sections if the spouse of the principal makes gifts to any one or more of the descendants of the principal or to a charitable institution; pay any gift tax that may arise by reason of those gifts.

(4) Loan any of the property of the principal to the spouse or descendants of the principal, or their personal representatives or a trustee for their benefit, the loan bearing such interest, and to be secured or unsecured, as the agent determines advisable.

(5) In general, and in addition to all the specific acts enumerated, do any other act which the principal can do through an agent for the welfare of the spouse, children, or dependents of the principal or for the preservation and maintenance of other personal relationships of the principal to parents, relatives, friends, and organizations.

It should be noted that a trust may not be modified or revoked by an agent under a statutory form power of attorney unless it is expressly permitted by the instrument granting the power and by the trust instrument. See Section 15401(b).

Section 4404 and the statutory form itself make the power of attorney a durable power of attorney, remaining in effect after the incapacity of the principal, unless the person executing the form strikes out the language in the form that makes the instrument a durable power of attorney. See also Section 4018 (“durable power of attorney” defined).

The last paragraph of the text of the statutory form protects a third party who receives a copy of the statutory form power of attorney and acts in reliance on it. See also Section 4034 (“third person” defined). The statement in the statutory form — that revocation of the power of attorney is not effective as to a third party until the third party has actual knowledge of the revocation — is consistent with Sections 4304 (good faith reliance on power of attorney without actual knowledge of death or incapacity of principal), 4305 (affidavit of lack of knowledge of termination of power). See also Sections 4300 (third persons required to respect agent’s authority), 4301 (immunities of third person), 4303 (protection of person who acts in good faith reliance upon power of attorney where specified requirements are satisfied). The protection provided by these sections and other immunities that may protect persons who rely on a power of attorney (see Section 4303(b)) apply to a statutory form power of attorney. See Sections 4100 (application of division to statutory form power of attorney), 4407 (general provisions applicable to statutory form power of attorney).

The language of the last portion of the text of the statutory form set forth in Section 4401 substitutes the phrase “has actual knowledge of the revocation” for the phrase “learns of the revocation” which is used in the Uniform Act form. This substitution does not preclude use of a form including the Uniform Act language. See Section 4402(a) (third sentence).

Neither this section, nor the part as a whole, attempts to provide an exclusive method for creating a power of attorney. Other forms may be used and other law employed to create powers of attorney. See Section 4408. However, this part should be sufficient for most purposes.

For provisions relating to court enforcement of the duties of the agent, see Sections 4900-4948.

The form provided by Section 4401 supersedes the former statutory short form power of attorney under former Civil Code Sections 2450-2473 (repealed by 1990 Cal. Stat. ch. 986, § 1). But older forms consistent with former Civil Code Sections 2450-2473 are still effective. See Section 4409 & Comment.

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined), 4034 (“third person” defined).

§ 4402. Requirements for statutory form power of attorney

4402. A statutory form power of attorney under this part is legally sufficient if all of the following requirements are satisfied:

(a) The wording of the form complies substantially with Section 4401. A form does not fail to comply substantially with Section 4401 merely because the form does not include the provisions of Section 4401 relating to designation of co-agents. A form does not fail to comply substantially with Section 4401 merely because the form uses the sentence “Revocation of the power of attorney is not effective as to a third party until the third party learns of the revocation” in place of the sentence “Revocation of the power of attorney is not effective as to a third party until the third party has actual knowledge of the revocation,” in which case the form shall be interpreted as if it contained the sentence “Revocation of the power of attorney is not effective as to a third party until the third party has actual knowledge of the revocation.”

(b) The form is properly completed.

(c) The signature of the principal is acknowledged.

Comment. Section 4402 continues former Civil Code Section 2476 without change, except for the revision of cross-references to other provisions and the deletion of language made obsolete by 1993 legislation. See 1993 Cal. Stat. ch. 1414, § 2. Section 4402 is the same in substance as Section 1(b) of the Uniform Statutory Form Power of Attorney Act (1988), with the addition of the second and third sentences of subdivision (a). See Section 2(b) (construction of provisions drawn from uniform acts). The added sentences make clear that use of a form that complies with the requirements of the official text of the Uniform Act satisfies the requirements of this section, even though the form used does not include the provisions included in Section 4401 for designation of co-agents and even though the form uses the language “learns of the revocation.”

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined), 4034 (“third person” defined).

§ 4403. Effect of initialing line in front of (N) in statutory form

4403. If the line in front of (N) of the statutory form under Section 4401 is initialed, an initial on the line in front of any other power does not limit the powers granted by line (N).

Comment. Section 4403 continues former Civil Code Section 2477 without change, except for the revision of a cross-reference to another provision. Section 4403 is the same in substance as Section 1(c) of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts).

§ 4404. Durability of statutory form power of attorney

4404. A statutory form power of attorney legally sufficient under this part is durable to the extent that the power of attorney contains language, such as “This power of attorney will continue to be effective even though I become incapacitated,” showing the intent of the principal that the power granted may be exercised notwithstanding later incapacity.

Comment. Section 4404 continues former Civil Code Section 2478 without substantive change. Section 4404 is the same in substance as Section 2 of the Uniform Statutory Form Power of Attorney Act (1988).

See Section 2(b) (construction of provisions drawn from uniform acts). The phrase “to the extent that durable powers are permitted by other law of this State,” found in the Uniform Act, has been omitted as unnecessary. Durable powers of attorney are specifically authorized by Section 4124. The words “incapacitated” and “incapacity” are used in Section 4404 for consistency with the form used in Section 4401 and with Section 4124 (California version of the Uniform Durable Power of Attorney Act).

A durable power of attorney under this part continues in effect when the principal becomes incapacitated. The form in Section 4401 includes a provision for continuance under those circumstances. That provision may be used or stricken at the discretion of the principal. The provision is consistent with Section 4124 (Uniform Durable Power of Attorney Act). See also Sections 4125 (effect of acts by agent during incapacity of principal), 4303 (good faith reliance upon power of attorney after death or incapacity of principal). As to the effect of appointment of a conservator of the estate, guardian of the estate, or other fiduciary charged with the management of the principal’s property, see Section 4206.

See also Sections 4018 (“durable power of attorney” defined), 4026 (“principal” defined).

§ 4405. Springing statutory form power of attorney

4405. (a) A statutory form power of attorney under this part that limits the power to take effect upon the occurrence of a specified event or contingency, including, but not limited to, the incapacity of the principal, may contain a provision designating one or more persons who, by a written declaration under penalty of perjury, have the power to determine conclusively that the specified event or contingency has occurred.

(b) A statutory form power of attorney that contains the provision described in subdivision (a) becomes effective when the person or persons designated in the power of attorney execute a written declaration under penalty of perjury that the specified event or contingency has occurred, and any person may act in reliance on the written declaration without liability to the principal or to any other person,

regardless whether the specified event or contingency has actually occurred.

(c) The provision described in subdivision (a) may be included in the “Special Instructions” portion of the form set forth in Section 4401.

(d) Subdivisions (a) and (b) do not provide the exclusive method by which a statutory form power of attorney under this part may be limited to take effect upon the occurrence of a specified event or contingency.

Comment. Section 4405 continues former Civil Code Section 2479 without substantive change. Section 4405 is not found in the Uniform Statutory Form Power of Attorney Act (1988). This section is drawn from Section 5-1602 of the New York General Obligations Law. A provision described in subdivision (a) protects a third person who relies on the declaration under penalty of perjury of the person or persons designated in the power of attorney that the specified event or contingency has occurred. The principal may designate the agent or another person, or several persons, to make this declaration.

Subdivision (d) makes clear that subdivisions (a) and (b) are not the exclusive method for creating a “springing power” (a power of attorney that goes into effect upon the occurrence of a specified event or contingency). The principal is free to set forth in a power of attorney under this part any provision the principal desires to provide for the method of determining whether the specified event or contingency has occurred. For example, the principal may provide that his or her “incapacity” be determined by a court under Part 5 (commencing with Section 4900). See Section 4941(a). If the power of attorney provides only that it shall become effective “upon the incapacity of the principal,” the determination whether the power of attorney is in effect also may be made under Part 5 (commencing with Section 4900).

See also Sections 4026 (“principal” defined), 4030 (“springing power of attorney” defined).

§ 4406. Compelling third person to honor statutory form power of attorney; liability for attorney’s fees

4406. (a) If a third person to whom a properly executed statutory form power of attorney under this part is presented refuses to honor the agent’s authority under the power of attorney within a reasonable time, the third person may be

compelled to honor the agent's authority under the power of attorney, in an action for this purpose brought against the third person, except that the third person may not be compelled to honor the agent's authority if the principal could not compel the third person to act in the same circumstances.

(b) If an action is brought under this section, the court shall award attorney's fees to the agent if the court finds that the third person acted unreasonably in refusing to accept the agent's authority under the statutory form power of attorney.

(c) For the purpose of subdivision (b) and without limiting other grounds that may constitute a reasonable refusal to accept an agent's authority under a statutory form power of attorney, a third person does not act unreasonably in refusing to accept the agent's authority if the refusal is authorized or required by provision of a state or federal statute or regulation.

(d) Notwithstanding subdivision (c), a third person's refusal to accept an agent's authority under a statutory form power of attorney under this part is unreasonable if the only reason for the refusal is that the power of attorney is not on a form prescribed by the third person to whom the power of attorney is presented.

(e) The remedy provided in this section is cumulative and nonexclusive.

Comment. Section 4406 continues former Civil Code Section 2480.5 without change. Section 4406 is not found in the Uniform Statutory Form Power of Attorney Act (1988). Subdivisions (a) and (b) are drawn in part from Section 13105(b) (compelling payment or delivery under affidavit procedure for collection or transfer of personal property of small estate). See also Section 4305 (affidavit of lack of knowledge of termination of power of attorney).

Subdivision (a) permits an agent to bring an action to compel a third person to honor a statutory form power of attorney only to the extent that the principal, disregarding any legal disability, could bring an action to compel the third person to act. Under this rule, a third person who could not be forced to do business with the principal consequently may not be forced to deal with the agent. However, a third person who holds

property of the principal, who owes a debt to the principal, or who is obligated by contract to the principal may be compelled to accept the agent's authority.

In addition, as provided in subdivision (b), if the refusal to deal with the agent is found to be unreasonable, the third person will also be liable for attorney's fees incurred in the action to compel compliance. The determination of reasonableness depends on the particular circumstances of each case. A person to whom the power of attorney is presented may, for example, act reasonably in refusing to accept the agent's authority where it is not clear that the power of attorney grants the agent authority with respect to the particular transaction. Likewise, a third person may reasonably refuse to honor the power of attorney if, for example, the person is not reasonably satisfied as to the identity of the agent or has information that would lead a reasonable person to question the validity of the power of attorney. See also Section 4303 (protection of person relying in good faith).

Subdivision (c) provides some specific guidelines as to the meaning of the reasonableness rule in subdivision (b) as it relates to the liability for attorney's fees. However, subdivision (d) makes clear that an institution's preference for its own power of attorney form is never a reasonable ground for refusing to accept the authority of an agent under a properly executed and effective statutory form power of attorney.

See also Sections 4014 ("attorney-in-fact" defined to include agent), 4026 ("principal" defined), 4034 ("third person" defined).

§ 4407. General provisions applicable to statutory form power of attorney

4407. Unless there is a conflicting provision in this part, in which case the provision of this part governs, the other provisions of this division apply to a statutory form power of attorney.

Comment. Section 4407 restates the substance of former Civil Code Section 2480. Section 4407 makes clear that the general provisions that apply to powers of attorney generally apply to statutory form powers of attorney under this part. Thus, for example, the following provisions apply to a power of attorney under this part:

Section 4123(b) (application of power of attorney to all or part of principal's property; unnecessary to describe items or parcels of property).

Section 4124 (requirements for durable power of attorney). The statutory form set forth in Section 4401 satisfies the requirements

for creation of a durable power of attorney, unless the provision making the power of attorney durable is struck out on the form.

Section 4125 (effect of acts by attorney-in-fact during incapacity of principal).

Section 4206 (relation of attorney-in-fact to court-appointed fiduciary).

Section 4303 (protection of person relying in good faith on power of attorney).

Section 4304 (good faith reliance on power of attorney after death or incapacity of principal).

Section 4306 (good faith reliance on attorney-in-fact's affidavit as conclusive proof of the nonrevocation or nontermination of the power).

Sections 4900-4948 (judicial proceedings).

§ 4408. Use of other forms

4408. Nothing in this part affects or limits the use of any other form for a power of attorney. A form that complies with the requirements of any law other than the provisions of this part may be used instead of the form set forth in Section 4401, and none of the provisions of this part apply if the other form is used.

Comment. Section 4408 continues former Civil Code Section 2481 without substantive change. See also Section 4022 ("power of attorney" defined).

§ 4409. Use of statutory form provided by repealed statutes

4409. (a) A statutory short form power of attorney executed before, on, or after the repeal of Chapter 3 (commencing with Section 2450) of Title 9 of Part 4 of the Civil Code by Chapter 986 of the Statutes of 1990, using a form that complied with former Section 2450 of the Civil Code, as originally enacted by Chapter 602 of the Statutes of 1984, or as amended by Chapter 403 of the Statutes of 1985, is as valid as if Chapter 3 (commencing with Section 2450) of Title 9 of Part 4 of the Civil Code had not been repealed by, and former

Section 2511 of the Civil Code amended by, Chapter 986 of the Statutes of 1990.

(b) A statutory form power of attorney executed before, on, or after the repeal of Chapter 3.5 (commencing with Section 2475) of Title 9 of Part 4 of the Civil Code by the act that enacted this section, using a form that complied with the repealed chapter of the Civil Code is as valid as if that chapter had not been repealed.

Comment. Subdivision (a) of Section 4409 restates former Civil Code Section 2450 without substantive change. The “statutory short form power of attorney” provided by former Civil Code Section 2450 was superseded by the Uniform Statutory Form Power of Attorney. See Sections 4400-4465 (continuing former Civ. Code §§ 2475-2499). This section permits use of the earlier forms after January 1, 1991, when the “statutory short form” was repealed. This avoids the need to discard existing printed forms and protects the unwary person who uses a printed form prepared pursuant to the former provisions. However, the new form provided by Sections 4400-4465 (and former Civ. Code §§ 2475-2499) should soon replace the older forms.

CHAPTER 2. CONSTRUCTION OF POWERS

Comment. This chapter (commencing with Section 4450) explains the powers listed in the statutory form in Section 4401. Section 4450 provides general powers that apply to all of the defined classes of authority listed in lines (A) through (M) of the statutory form, subject to any conditions set by the principal.

The language in Sections 4451-4463 makes explicit reference to authority that would be appropriate for each class of transaction. The language in those sections identifies activities that are typical responsibilities for the particular class of transaction.

Any of Sections 4451-4463, together with the general authority in Section 4450, gives the agent complete power for the class of transactions. The recitation of particular powers in each section explains the scope of the individual section and assures the user of this part and the form provided by this part that the matters that are the user’s particular concern are covered by the part. As to use of a power executed outside this state, after-acquired property, use of the power with respect to property located outside this state, and exercise of the power outside this state, see Section 4464.

A general effect of this chapter is that the agent can exercise authority subject to the same conditions and limitations as the principal. In a few instances the limiting conditions are made explicit. For example, in Section 4456 it is stated that partnership powers are subject to the terms of the partnership agreement. But all authority is subject to conditions of fact and law that exist outside the part. For example, a collection agency could not escape regulation by acting under this power of attorney. See also Section 15401 (modifying or revoking trust).

Provisions of this chapter grant the agent authority to enforce rights of the principal “by litigation or otherwise” or to initiate litigation or to bring an action. These grants of authority do not affect the requirement of Code of Civil Procedure Section 367 that an action be prosecuted in the name of the real party in interest.

§ 4450. Construction of powers generally

4450. By executing a statutory form power of attorney with respect to a subject listed in Section 4401, the principal, except as limited or extended by the principal in the power of attorney, empowers the agent, for that subject, to do all of the following:

(a) Demand, receive, and obtain by litigation or otherwise, money or other thing of value to which the principal is, may become, or claims to be entitled, and conserve, invest, disburse, or use anything so received for the purposes intended.

(b) Contract in any manner with any person, on terms agreeable to the agent, to accomplish a purpose of a transaction, and perform, rescind, reform, release, or modify the contract or another contract made by or on behalf of the principal.

(c) Execute, acknowledge, seal, and deliver a deed, revocation, mortgage, lease, notice, check, release, or other instrument the agent considers desirable to accomplish a purpose of a transaction.

(d) Prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to, a claim

existing in favor of or against the principal or intervene in litigation relating to the claim.

(e) Seek on the principal's behalf the assistance of a court to carry out an act authorized by the power of attorney.

(f) Engage, compensate, and discharge an attorney, accountant, expert witness, or other assistant.

(g) Keep appropriate records of each transaction, including an accounting of receipts and disbursements.

(h) Prepare, execute, and file a record, report, or other document the agent considers desirable to safeguard or promote the principal's interest under a statute or governmental regulation.

(i) Reimburse the agent for expenditures properly made by the agent in exercising the powers granted by the power of attorney.

(j) In general, do any other lawful act with respect to the subject.

Comment. Section 4450 continues former Civil Code Section 2485 without change, except for the revision of a cross-reference to another provision. Section 4450 is the same in substance as Section 3 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Sections 4900-4948 (court enforcement of agent's duties).

See also Sections 4014 ("attorney-in-fact" defined to include agent), 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4451. Real property transactions

4451. In a statutory form power of attorney, the language granting power with respect to real property transactions empowers the agent to do all of the following:

(a) Accept as a gift or as security for a loan, reject, demand, buy, lease, receive, or otherwise acquire, an interest in real property or a right incident to real property.

(b) Sell, exchange, convey with or without covenants, quitclaim, release, surrender, mortgage, encumber, partition,

consent to partitioning, subdivide, apply for zoning, rezoning, or other governmental permits, plat or consent to platting, develop, grant options concerning, lease, sublease, or otherwise dispose of, an interest in real property or a right incident to real property.

(c) Release, assign, satisfy, and enforce by litigation or otherwise, a mortgage, deed of trust, encumbrance, lien, or other claim to real property which exists or is asserted.

(d) Do any act of management or of conservation with respect to an interest in real property, or a right incident to real property, owned, or claimed to be owned, by the principal, including all of the following:

(1) Insuring against a casualty, liability, or loss.

(2) Obtaining or regaining possession, or protecting the interest or right, by litigation or otherwise.

(3) Paying, compromising, or contesting taxes or assessments, or applying for and receiving refunds in connection with them.

(4) Purchasing supplies, hiring assistance or labor, and making repairs or alterations in the real property.

(e) Use, develop, alter, replace, remove, erect, or install structures or other improvements upon real property in or incident to which the principal has, or claims to have, an interest or right.

(f) Participate in a reorganization with respect to real property or a legal entity that owns an interest in or right incident to real property and receive and hold shares of stock or obligations received in a plan of reorganization, and act with respect to them, including all of the following:

(1) Selling or otherwise disposing of them.

(2) Exercising or selling an option, conversion, or similar right with respect to them.

(3) Voting them in person or by proxy.

(g) Change the form of title of an interest in or right incident to real property.

(h) Dedicate to public use, with or without consideration, easements or other real property in which the principal has, or claims to have, an interest or right.

Comment. Section 4451 continues former Civil Code Section 2486 without change. Section 4451 is the same in substance as Section 4 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4452. Tangible personal property transactions

4452. In a statutory form power of attorney, the language granting power with respect to tangible personal property transactions empowers the agent to do all of the following:

(a) Accept as a gift or as security for a loan, reject, demand, buy, receive, or otherwise acquire ownership or possession of tangible personal property or an interest in tangible personal property.

(b) Sell, exchange, convey with or without covenants, release, surrender, mortgage, encumber, pledge, hypothecate, create a security interest in, pawn, grant options concerning, lease, sublease to others, or otherwise dispose of tangible personal property or an interest in tangible personal property.

(c) Release, assign, satisfy, or enforce by litigation or otherwise, a mortgage, security interest, encumbrance, lien, or other claim on behalf of the principal, with respect to tangible personal property or an interest in tangible personal property.

(d) Do an act of management or conservation with respect to tangible personal property or an interest in tangible personal property on behalf of the principal, including all of the following:

(1) Insuring against casualty, liability, or loss.

(2) Obtaining or regaining possession, or protecting the property or interest, by litigation or otherwise.

(3) Paying, compromising, or contesting taxes or assessments or applying for and receiving refunds in connection with taxes or assessments.

(4) Moving from place to place.

(5) Storing for hire or on a gratuitous bailment.

(6) Using, altering, and making repairs or alterations.

Comment. Section 4452 continues former Civil Code Section 2487 without change. Section 4452 is the same in substance as Section 5 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4453. Stock and bond transactions

4453. In a statutory form power of attorney, the language granting power with respect to stock and bond transactions empowers the agent to do all of the following:

(a) Buy, sell, and exchange stocks, bonds, mutual funds, and all other types of securities and financial instruments except commodity futures contracts and call and put options on stocks and stock indexes.

(b) Receive certificates and other evidences of ownership with respect to securities.

(c) Exercise voting rights with respect to securities in person or by proxy, enter into voting trusts, and consent to limitations on the right to vote.

Comment. Section 4453 continues former Civil Code Section 2488 without change. Section 4453 is the same in substance as Section 6 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Sections 4050(b)(3) (proxies given by agent to exercise voting rights), 4450 (construction of powers generally).

See also Section 4014 (“attorney-in-fact” defined to include agent).

§ 4454. Commodity and option transactions

4454. In a statutory form power of attorney, the language granting power with respect to commodity and option transactions empowers the agent to do all of the following:

(a) Buy, sell, exchange, assign, settle, and exercise commodity futures contracts and call and put options on stocks and stock indexes traded on a regulated option exchange.

(b) Establish, continue, modify, and terminate option accounts with a broker.

Comment. Section 4454 continues former Civil Code Section 2489 without change. Section 4454 is the same in substance as Section 7 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent).

§ 4455. Banking and other financial institution transactions

4455. In a statutory form power of attorney, the language granting power with respect to banking and other financial institution transactions empowers the agent to do all of the following:

(a) Continue, modify, and terminate an account or other banking arrangement made by or on behalf of the principal.

(b) Establish, modify, and terminate an account or other banking arrangement with a bank, trust company, savings and loan association, credit union, thrift company, industrial loan company, brokerage firm, or other financial institution selected by the agent.

(c) Hire or close a safe deposit box or space in a vault.

(d) Contract to procure other services available from a financial institution as the agent considers desirable.

(e) Withdraw by check, order, or otherwise money or property of the principal deposited with or left in the custody of a financial institution.

(f) Receive bank statements, vouchers, notices, and similar documents from a financial institution and act with respect to them.

(g) Enter a safe deposit box or vault and withdraw or add to the contents.

(h) Borrow money at an interest rate agreeable to the agent and pledge as security personal property of the principal necessary in order to borrow, pay, renew, or extend the time of payment of a debt of the principal.

(i) Make, assign, draw, endorse, discount, guarantee, and negotiate promissory notes, checks, drafts, and other negotiable or nonnegotiable paper of the principal, or payable to the principal or the principal's order, receive the cash or other proceeds of those transactions, and accept a draft drawn by a person upon the principal and pay it when due.

(j) Receive for the principal and act upon a sight draft, warehouse receipt, or other negotiable or nonnegotiable instrument.

(k) Apply for and receive letters of credit, credit cards, and traveler's checks from a financial institution, and give an indemnity or other agreement in connection with letters of credit.

(l) Consent to an extension of the time of payment with respect to commercial paper or a financial transaction with a financial institution.

Comment. Section 4455 continues former Civil Code Section 2490 without change. Section 4455 is the same in substance as Section 4 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 ("attorney-in-fact" defined to include agent), 4026 ("principal" defined).

§ 4456. Business operating transactions

4456. In a statutory form power of attorney, the language granting power with respect to business operating transactions empowers the agent to do all of the following:

(a) Operate, buy, sell, enlarge, reduce, and terminate a business interest.

(b) To the extent that an agent is permitted by law to act for a principal and subject to the terms of the partnership agreement:

(1) Perform a duty or discharge a liability and exercise a right, power, privilege, or option that the principal has, may have, or claims to have, under a partnership agreement, whether or not the principal is a partner.

(2) Enforce the terms of a partnership agreement by litigation or otherwise.

(3) Defend, submit to arbitration, settle, or compromise litigation to which the principal is a party because of membership in the partnership.

(c) Exercise in person or by proxy, or enforce by litigation or otherwise, a right, power, privilege, or option the principal has or claims to have as the holder of a bond, share, or other instrument of similar character, and defend, submit to arbitration, settle, or compromise litigation to which the principal is a party because of a bond, share, or similar instrument.

(d) With respect to a business owned solely by the principal:

(1) Continue, modify, renegotiate, extend, and terminate a contract made with an individual or a legal entity, firm, association, or corporation by or on behalf of the principal with respect to the business before execution of the power of attorney.

(2) Determine the policy of the business as to (A) the location of its operation, (B) the nature and extent of its

business, (C) the methods of manufacturing, selling, merchandising, financing, accounting, and advertising employed in its operation, (D) the amount and types of insurance carried, and (E) the mode of engaging, compensating, and dealing with its accountants, attorneys, and other agents and employees.

(3) Change the name or form of organization under which the business is operated and enter into a partnership agreement with other persons or organize a corporation to take over all or part of the operation of the business.

(4) Demand and receive money due or claimed by the principal or on the principal's behalf in the operation of the business, and control and disburse the money in the operation of the business.

(e) Put additional capital into a business in which the principal has an interest.

(f) Join in a plan of reorganization, consolidation, or merger of the business.

(g) Sell or liquidate a business or part of it at the time and upon the terms the agent considers desirable.

(h) Represent the principal in establishing the value of a business under a buy-out agreement to which the principal is a party.

(i) Prepare, sign, file, and deliver reports, compilations of information, returns, or other papers with respect to a business which are required by a governmental agency or instrumentality or which the agent considers desirable, and make related payments.

(j) Pay, compromise, or contest taxes or assessments and do any other act which the agent considers desirable to protect the principal from illegal or unnecessary taxation, fines, penalties, or assessments with respect to a business, including attempts to recover, in any manner permitted by law, money paid before or after the execution of the power of attorney.

Comment. Section 4456 continues former Civil Code Section 2491 without change. Section 4456 is the same in substance as Section 9 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4457. Insurance and annuity transactions

4457. In a statutory form power of attorney, the language granting power with respect to insurance and annuity transactions empowers the agent to do all of the following:

(a) Continue, pay the premium or assessment on, modify, rescind, release, or terminate a contract procured by or on behalf of the principal which insures or provides an annuity to either the principal or another person, whether or not the principal is a beneficiary under the contract.

(b) Procure new, different, and additional contracts of insurance and annuities for the principal and the principal’s spouse, children, and other dependents, and select the amount, type of insurance or annuity, and mode of payment.

(c) Pay the premium or assessment on, modify, rescind, release, or terminate a contract of insurance or annuity procured by the agent.

(d) Designate the beneficiary of the contract, but the agent may be named a beneficiary of the contract, or an extension, renewal, or substitute for it, only to the extent the agent was named as a beneficiary under a contract procured by the principal before executing the power of attorney.

(e) Apply for and receive a loan on the security of the contract of insurance or annuity.

(f) Surrender and receive the cash surrender value.

(g) Exercise an election.

(h) Change the manner of paying premiums.

(i) Change or convert the type of insurance contract or annuity as to any insurance contract or annuity with respect to which the principal has or claims to have a power described in this section.

(j) Change the beneficiary of a contract of insurance or annuity, but the agent may not be designated a beneficiary except to the extent permitted by subdivision (d).

(k) Apply for and procure government aid to guarantee or pay premiums of a contract of insurance on the life of the principal.

(l) Collect, sell, assign, hypothecate, borrow upon, or pledge the interest of the principal in a contract of insurance or annuity.

(m) Pay from proceeds or otherwise, compromise or contest, and apply for refunds in connection with, a tax or assessment levied by a taxing authority with respect to a contract of insurance or annuity or its proceeds or liability accruing by reason of the tax or assessment.

Comment. Section 4457 continues former Civil Code Section 2492 without change. Section 4457 is the same in substance as Section 10 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally). Section 4457 covers, but is not limited to, life, accident, health, disability, or liability insurance and fire, marine, burglary, compensation, disability, liability, hurricane, earthquake, and casualty insurance.

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4458. Estate, trust, and other beneficiary transactions

4458. In a statutory form power of attorney, the language granting power with respect to estate, trust, and other beneficiary transactions, empowers the agent to act for the principal in all matters that affect a trust, probate estate, guardianship, conservatorship, escrow, custodianship, or other fund from which the principal is, may become, or

claims to be entitled, as a beneficiary, to a share or payment, including the power to do all of the following:

(a) Accept, reject, disclaim, receive, receipt for, sell, assign, release, pledge, exchange, or consent to a reduction in or modification of a share in or payment from the fund.

(b) Demand or obtain by litigation or otherwise money or other thing of value to which the principal is, may become, or claims to be entitled by reason of the fund.

(c) Initiate, participate in, and oppose litigation to ascertain the meaning, validity, or effect of a deed, will, declaration of trust, or other instrument or transaction affecting the interest of the principal.

(d) Initiate, participate in, and oppose litigation to remove, substitute, or surcharge a fiduciary.

(e) Conserve, invest, disburse, and use anything received for an authorized purpose.

(f) Transfer an interest of the principal in real property, stocks, bonds, accounts with financial institutions, insurance, and other property, to the trustee of a revocable trust created by the principal as settlor.

Comment. Section 4458 continues former Civil Code Section 2493 without change. Section 4458 is the same in substance as Section 11 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 82 (“trust” defined), 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4459. Claims and litigation

4459. In a statutory form power of attorney, the language with respect to claims and litigation empowers the agent to do all of the following:

(a) Assert and prosecute before a court or administrative agency a claim, claim for relief, cause of action, counterclaim, cross-complaint, or offset, and defend against an individual, a

legal entity, or government, including suits to recover property or other thing of value, to recover damages sustained by the principal, to eliminate or modify tax liability, or to seek an injunction, specific performance, or other relief.

(b) Bring an action to determine adverse claims, intervene in litigation, and act as *amicus curiae*.

(c) In connection with litigation:

(1) Procure an attachment, garnishment, libel, order of arrest, or other preliminary, provisional, or intermediate relief and use any available procedure to effect, enforce, or satisfy a judgment, order, or decree.

(2) Perform any lawful act, including acceptance of tender, offer of judgment, admission of facts, submission of a controversy on an agreed statement of facts, consent to examination before trial, and binding the principal in litigation.

(d) Submit to arbitration, settle, and propose or accept a compromise with respect to a claim or litigation.

(e) Waive the issuance and service of process upon the principal, accept service of process, appear for the principal, designate persons upon whom process directed to the principal may be served, execute and file or deliver stipulations on the principal's behalf, verify pleadings, seek appellate review, procure and give surety and indemnity bonds, contract and pay for the preparation and printing of records and briefs, receive and execute and file or deliver a consent, waiver, release, confession of judgment, satisfaction of judgment, notice, agreement, or other instrument in connection with the prosecution, settlement, or defense of a claim or litigation.

(f) Act for the principal with respect to bankruptcy or insolvency proceedings, whether voluntary or involuntary, concerning the principal or some other person, or with respect to a reorganization proceeding, or with respect to an

assignment for the benefit of creditors, receivership, or application for the appointment of a receiver or trustee which affects an interest of the principal in property or other thing of value.

(g) Pay a judgment against the principal or a settlement made in connection with litigation and receive and conserve money or other thing of value paid in settlement of or as proceeds of a claim or litigation.

Comment. Section 4459 continues former Civil Code Section 2494 without change. Section 4459 is the same in substance as Section 12 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). Subdivision (f) is clarified by adding a reference to an assignment for the benefit of creditors. See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4460. Personal and family maintenance

4460. In a statutory form power of attorney, the language granting power with respect to personal and family maintenance empowers the agent to do all of the following:

(a) Do the acts necessary to maintain the customary standard of living of the principal, the principal’s spouse, children, and other individuals customarily or legally entitled to be supported by the principal, including providing living quarters by purchase, lease, or other contract, or paying the operating costs, including interest, amortization payments, repairs, and taxes on premises owned by the principal and occupied by those individuals.

(b) Provide for the individuals described in subdivision (a) all of the following:

(1) Normal domestic help.

(2) Usual vacations and travel expenses.

(3) Funds for shelter, clothing, food, appropriate education, and other current living costs.

(c) Pay for the individuals described in subdivision (a) necessary medical, dental, and surgical care, hospitalization, and custodial care.

(d) Continue any provision made by the principal, for the individuals described in subdivision (a), for automobiles or other means of transportation, including registering, licensing, insuring, and replacing them.

(e) Maintain or open charge accounts for the convenience of the individuals described in subdivision (a) and open new accounts the agent considers desirable to accomplish a lawful purpose.

(f) Continue payments incidental to the membership or affiliation of the principal in a church, club, society, order, or other organization and continue contributions to those organizations.

Comment. Section 4460 continues former Civil Code Section 2495 without change. Section 4460 is the same in substance as Section 13 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4461. Benefits from social security, medicare, medicaid, or other governmental programs, or civil or military service

4461. In a statutory form power of attorney, the language granting power with respect to benefits from social security, medicare, medicaid or other governmental programs, or civil or military service, empowers the agent to do all of the following:

(a) Execute vouchers in the name of the principal for allowances and reimbursements payable by the United States or a foreign government or by a state or subdivision of a state to the principal, including allowances and reimbursements for

transportation of the individuals described in subdivision (a) of Section 4460, and for shipment of their household effects.

(b) Take possession and order the removal and shipment of property of the principal from a post, warehouse, depot, dock, or other place of storage or safekeeping, either governmental or private, and execute and deliver a release, voucher, receipt, bill of lading, shipping ticket, certificate, or other instrument for that purpose.

(c) Prepare, file, and prosecute a claim of the principal to a benefit or assistance, financial or otherwise, to which the principal claims to be entitled, under a statute or governmental regulation.

(d) Prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any benefits the principal may be entitled to receive.

(e) Receive the financial proceeds of a claim of the type described in this section, conserve, invest, disburse, or use anything received for a lawful purpose.

Comment. Section 4461 continues former Civil Code Section 2496 without change, except for the revision of a cross-reference to another provision. Section 4461 is the same in substance as Section 14 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4462. Retirement plan transactions

4462. In a statutory form power of attorney, the language granting power with respect to retirement plan transactions empowers the agent to do all of the following:

(a) Select payment options under any retirement plan in which the principal participates, including plans for self-employed individuals.

(b) Designate beneficiaries under those plans and change existing designations.

(c) Make voluntary contributions to those plans.

(d) Exercise the investment powers available under any self-directed retirement plan.

(e) Make rollovers of plan benefits into other retirement plans.

(f) If authorized by the plan, borrow from, sell assets to, and purchase assets from the plan.

(g) Waive the right of the principal to be a beneficiary of a joint or survivor annuity if the principal is a spouse who is not employed.

Comment. Section 4462 continues former Civil Code Section 2497 without change. Section 4462 is the same in substance as Section 15 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See the Comment to this chapter under the chapter heading. See also Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4463. Tax matters

4463. In a statutory form power of attorney, the language granting power with respect to tax matters empowers the agent to do all of the following:

(a) Prepare, sign, and file federal, state, local, and foreign income, gift, payroll, Federal Insurance Contributions Act returns, and other tax returns, claims for refunds, requests for extension of time, petitions regarding tax matters, and any other tax-related documents, including receipts, offers, waivers, consents (including consents and agreements under Internal Revenue Code Section 2032A or any successor section), closing agreements, and any power of attorney required by the Internal Revenue Service or other taxing authority with respect to a tax year upon which the statute of

limitations has not run and to the tax year in which the power of attorney was executed and any subsequent tax year.

(b) Pay taxes due, collect refunds, post bonds, receive confidential information, and contest deficiencies determined by the Internal Revenue Service or other taxing authority.

(c) Exercise any election available to the principal under federal, state, local, or foreign tax law.

(d) Act for the principal in all tax matters for all periods before the Internal Revenue Service and any other taxing authority.

Comment. Section 4463 continues former Civil Code Section 2498 without change. Section 4463 is the same in substance as Section 16 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). At the end of subdivision (a), reference is made to “a tax year upon which the statute of limitations has not run and to the tax year in which the power of attorney was executed and any subsequent tax year.” This replaces the reference in the Uniform Act to “a tax year upon which the statute of limitations has not run and the following 25 tax years.” This substitution is consistent with the power granted by subdivision (d) which extends to “all tax matters for all periods” and is not limited to particular tax years. See also the Comment to this chapter under the chapter heading and Section 4450 (construction of powers generally).

See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

§ 4464. After-acquired property; property located outside this state; power exercised outside this state; power of attorney executed outside this state

4464. The powers described in this chapter are exercisable equally with respect to an interest the principal has when the statutory form power of attorney is executed or acquires later, whether or not the property is located in this state, and whether or not the powers are exercised or the power of attorney is executed in this state.

Comment. Section 4464 continues former Civil Code Section 2499 without change. Section 4464 makes the power of attorney explicitly effective for property acquired at times and in places that might otherwise be subject to dispute. The section is the same in substance as

Section 17 of the Uniform Statutory Form Power of Attorney Act (1988). See Section 2(b) (construction of provisions drawn from uniform acts). See also Section 4123(b) (no need to describe each item or parcel of property).

See also Sections 4026 (“principal” defined).

§ 4465. Power to modify or revoke trust

4465. A statutory form power of attorney under this part does not empower the agent to modify or revoke a trust created by the principal unless that power is expressly granted by the power of attorney. If a statutory form power of attorney under this part empowers the agent to modify or revoke a trust created by the principal, the trust may only be modified or revoked by the agent as provided in the trust instrument.

Comment. Section 4465 continues former Civil Code Section 2499.5 without change. Section 4465 is a new provision not found in the Uniform Statutory Form Power of Attorney Act (1988).

The first sentence of Section 4465 makes clear that the agent has no power to modify or revoke a trust unless a specific provision is added to the statutory form giving the agent that power. The “Special Instructions” portion of the statutory form provides space for such a provision. The first sentence is a clarification that is consistent with the uniform act powers. See Section 11 of the Uniform Statutory Form Power of Attorney Act (1988), which does not give the agent the power to modify or revoke a trust created by the principal.

The second sentence of Section 4465 recognizes the requirement of Section 15401(b) which precludes modification or revocation of a trust by an agent unless the trust instrument expressly so permits.

See also Sections 82 (“trust” defined), 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined).

PART 4 . DURABLE POWERS OF
ATTORNEY FOR HEALTH CARE

CHAPTER 1. DEFINITIONS AND
GENERAL PROVISIONS

Article 1. Definitions

§ 4600. Application of definitions

4600. Unless the provision or context otherwise requires, the definitions in this article govern the construction of this part.

Comment. Section 4600 restates the substance of the first clause of former Civil Code Section 2410.

§ 4603. Community care facility

4603. “Community care facility” means a community care facility as defined in Section 1502 of the Health and Safety Code.

Comment. Section 4603 continues former Civil Code Section 2430(f) without change.

§ 4606. Durable power of attorney for health care

4606. “Durable power of attorney for health care” means a durable power of attorney to the extent that it authorizes an attorney-in-fact to make health care decisions for the principal.

Comment. Section 4606 continues former Civil Code Section 2430(a) without change and continues the substance of former Civil Code Section 2410(b).

See also Sections 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4026 (“principal” defined), 4612 (“health care decision” defined).

§ 4609. Health care

4609. “Health care” means any care, treatment, service, or procedure to maintain, diagnose, or treat an individual’s physical or mental condition and includes decisions affecting the principal after death.

Comment. The first part of Section 4609 continues former Civil Code Section 2430(b) without substantive change. As to certain decisions after the principal’s death, see Section 4720(b). See also Section 4026 (“principal” defined).

§ 4612. Health care decision

4612. “Health care decision” means consent, refusal of consent, or withdrawal of consent to health care, or a decision to begin, continue, increase, limit, discontinue, or not to begin any health care.

Comment. The first part of Section 4612 continues former Civil Code Section 2430(c) (consent, refusal, or withdrawal). The remainder of this section is new and provides additional detail concerning health care decisions. This is not intended as a substantive change. See also Section 4609 (“health care” defined).

§ 4615. Health care provider

4615. “Health care provider” means a person who is licensed, certified, or otherwise authorized or permitted by the law of this state to administer health care in the ordinary course of business or practice of a profession.

Comment. Section 4615 continues former Civil Code Section 2430(d) without change. The definition of “health care provider” in this section is the same in substance as the definition in Section 1 of the Uniform Law Commissioner’s Model Health-Care Consent Act (1982). See also Section 4609 (“health care” defined).

§ 4618. Residential care facility for the elderly

4618. “Residential care facility for the elderly” means a residential care facility for the elderly as defined in Section 1569.2 of the Health and Safety Code.

Comment. Section 4618 continues former Civil Code Section 2430(g) without substantive change.

§ 4621. Statutory form durable power of attorney for health care

4621. “Statutory form durable power of attorney for health care” means a durable power of attorney for health care that satisfies the requirements of Chapter 3 (commencing with Section 4770).

Comment. Section 4621 is new. See also Section 4606 (“durable power of attorney for health care” defined).

Article 2. General Provisions

§ 4650. Application of chapter

4650. (a) A durable power of attorney executed on or after January 1, 1984, is effective to authorize the attorney-in-fact to make health care decisions for the principal only if the durable power of attorney complies with this chapter.

(b) A durable power of attorney executed before January 1, 1984, that specifically authorizes the attorney-in-fact to make decisions relating to the medical or health care of the principal shall be deemed to be valid under this chapter after January 1, 1984, notwithstanding that it fails to comply with subdivision (a) or (c) of Section 4121 or subdivision (a) of Section 4704; but, to the extent that the durable power of attorney authorizes the attorney-in-fact to make health care decisions for the principal, the durable power of attorney is subject to all the provisions of this chapter and to Part 5 (commencing with Section 4900).

(c) Nothing in this chapter affects the validity of a decision made under a durable power of attorney before January 1, 1984.

Comment. Section 4650 continues former Civil Code Section 2431 without substantive change. Subdivision (a) of Section 4650 makes clear that the requirements of this chapter must be satisfied if a durable power of attorney executed after December 31, 1983, is intended to authorize

health care decisions. Nothing in this chapter affects a durable power of attorney executed after December 31, 1983, insofar as it relates to matters other than health care decisions. See also Sections 4018 (“durable power of attorney” defined), 4612 (“health care decision” defined).

Subdivision (b) validates durable powers of attorney for health care executed before January 1, 1984, even though the witnessing or acknowledgment requirement applicable under Sections 4121(c) and 4700(b) is not satisfied and even though the requirement of a warning statement or certificate under Section 4704 is not satisfied. However, after December 31, 1983, any such durable power of attorney is subject to the same provisions as a durable power of attorney executed after that date. See, e.g., Sections 4720 (attorney-in-fact not authorized to act if principal can give informed consent), 4721 (availability of medical information to attorney-in-fact), 4722 (limitations on attorney-in-fact’s authority), 4723 (unauthorized acts or omissions), 4724 (consent of attorney-in-fact not authorized where principal objects to the health care or objects to the withholding or withdrawal of health care necessary to keep principal alive), 4726 (altering or forging, or concealing or withholding knowledge of revocation, of durable power of attorney for health care), 4727 (revocation), 4750 (immunities of health care provider), 4903 (exceptions to limitations in power of attorney on right to petition), 4942 (grounds for petition).

Subdivision (c) makes clear that this chapter has no effect on decisions made before January 1, 1984, under durable powers of attorney executed before that date. The validity of such health care decisions is determined by the law that would apply if this chapter had not been enacted.

See also Sections 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4026 (“principal” defined), 4612 (“health care decision” defined).

§ 4651. Form of durable power of attorney for health care after January 1, 1995

4651. (a) Notwithstanding Section 4703, on and after January 1, 1986, a printed form of a durable power of attorney for health care may be sold or otherwise distributed if it complies with former Section 2433 of the Civil Code, as amended by Section 5 of Chapter 312 of the Statutes of 1984, or with former Section 2433 of the Civil Code as in effect at the time of sale or distribution. However, any printed form of a durable power of attorney for health care printed on or after

January 1, 1986, that is sold or otherwise distributed in this state for use by a person who does not have the advice of legal counsel shall comply with former Section 2433 of the Civil Code or Section 4703 of this code in effect at the time of printing.

(b) Notwithstanding Section 4720, a printed form of a durable power of attorney for health care may be sold or otherwise distributed if it complies with former Section 2432 of the Civil Code as enacted by Section 10 of Chapter 1204 of the Statutes of 1983 or subsequently amended, or with Section 4700 of this code. However, any printed form of a durable power of attorney for health care printed on or after January 1, 1986, shall comply with the requirements of former Section 2432 of the Civil Code or Section 4700 of this code in effect at the time of printing.

(c) A durable power of attorney for health care executed on or after January 1, 1986, is not invalid if it complies with former Section 2432 of the Civil Code as originally enacted or as subsequently amended. A durable power of attorney for health care executed on or after January 1, 1986, using a printed form that complied with former Section 2433 of the Civil Code as amended by Section 5 of Chapter 312 of the Statutes of 1984, is as valid as if it had been executed using a printed form that complied with former Section 2433 of the Civil Code as thereafter amended or with Section 4703 of this code.

Comment. Section 4651 continues former Civil Code Section 2444 without substantive change, and applies the principles of the former section to the successor sections in this chapter.

Section 4651 permits a printed form of a durable power of attorney for health care to be used after the amendments to former Civil Code Sections 2432 and 2433 went into effect if the form complies with prior law. Section 4651 avoids the need to discard the existing supply of printed forms when the amendments go into effect. But a form printed after the amendments go into effect may be sold or otherwise distributed in this state for use by a person who does not have the advice of legal

counsel only if the form complies with the requirements of Sections 4700 and 4703.

See also Section 4606 (“durable power of attorney for health care” defined).

§ 4652. Other authority not affected

4652. (a) Subject to Section 4720, nothing in this part affects any right a person may have to make health care decisions on behalf of another.

(b) This part does not affect the law governing health care treatment in an emergency.

Comment. Section 4652 continues former Civil Code Section 2439 without change, except for the revision of a cross-reference to another section and the substitution of a reference to “part” instead of “article.” Section 4652 makes clear that the enactment of this part has no effect on any right a person may have to consent for another or on emergency treatment. Thus, this title is cumulative to whatever other ways there may be to consent for another individual.

See also Sections 4609 (“health care” defined), 4612 (“health care decision” defined).

§ 4653. Validity of durable power of attorney for health care executed in another jurisdiction

4653. A durable power of attorney for health care or similar instrument executed in another state or jurisdiction in compliance with the laws of that state or jurisdiction or of this state, shall be valid and enforceable in this state to the same extent as a durable power of attorney for health care validly executed in this state.

Comment. Section 4653 continues former Civil Code Section 2445 without change. For the rule applicable to powers of attorney generally, see Section 4053.

See also Section 4606 (“durable power of attorney for health care” defined).

§ 4654. Durable power of attorney for health care subject to former 7-year limit

4654. (a) This section applies only to a durable power of attorney for health care that satisfies one of the following requirements:

(1) The power of attorney was executed after January 1, 1984, but before January 1, 1992.

(2) The power of attorney was executed on or after January 1, 1992, and contains a warning statement that refers to a seven-year limit on its duration.

(b) Unless a shorter period is provided in the durable power of attorney for health care, a durable power of attorney for health care executed after January 1, 1984, expires seven years after the date of its execution unless at the end of the seven-year period the principal lacks the capacity to make health care decisions for himself or herself, in which case the durable power of attorney for health care continues in effect until the time when the principal regains the capacity to make health care decisions for himself or herself.

Comment. Section 4654 continues former Civil Code Section 2436.5 without change. This section restricts the former seven-year limit for a durable power of attorney for health care (1) to powers executed between January 1, 1984 and December 31, 1991, and (2) to powers containing a warning statement that refers to a seven-year limit on duration. For a durable power of attorney for health care executed on or after January 1, 1992, that does not contain a warning statement that refers to a seven-year limit on its duration, there is no statutory limit, but only the limit, if any, provided in the durable power itself.

See also Sections 4606 (“durable power of attorney for health care” defined), 4612 (“health care decision” defined), 4026 (“principal” defined).

CHAPTER 2. DURABLE POWERS OF ATTORNEY FOR HEALTH CARE

Article 1. Creation and Effect of Durable Power of Attorney for Health Care

§ 4700. Requirements for durable power of attorney for health care

4700. An attorney-in-fact under a durable power of attorney may not make health care decisions unless the durable power of attorney satisfies all of the following requirements:

(a) The power of attorney specifically grants authority to the attorney-in-fact to make health care decisions.

(b) The power of attorney is executed as provided in Section 4121.

(c) The power of attorney satisfies the requirements of this article.

Comment. Section 4700 restates the first part of former Civil Code Section 2432(a) without substantive change. Subdivision (a) continues former Civil Code Section 2432(a)(1) without substantive change. The dating requirement of former Civil Code Section 2432(a)(2) is continued in Section 4121(a), which is applicable to all powers of attorney under this division, and which is incorporated in subdivision (b). The option of using a notary public or two witnesses under former Civil Code Section 2432(a)(3) is continued through the incorporation of the general execution requirements in Section 4121(c). As to special rules concerning qualifications of witnesses under a durable power of attorney for health care, see Section 4701. See also Section 4650 (exception to formalities requirement for powers of attorney executed before operative date).

See also Sections 4014 (“attorney-in-fact” defined), 4606 (“durable power of attorney for health care” defined), 4612 (“health care decision” defined).

§ 4701. Additional requirements for witnesses of durable power of attorney for health care

4701. If the durable power of attorney for health care is signed by witnesses, as provided in Section 4121, in addition

to the requirements applicable to witnesses under Section 4122, the following requirements shall be satisfied:

(a) None of the following persons may act as a witness:

(1) The principal's health care provider or an employee of the principal's health care provider.

(2) The operator or an employee of a community care facility.

(3) The operator or an employee of a residential care facility for the elderly.

(b) Each witness shall make the following declaration in substance:

"I declare under penalty of perjury under the laws of California that the person who signed or acknowledged this document is personally known to me to be the principal, or that the identity of the principal was proved to me by convincing evidence, that the principal signed or acknowledged this durable power of attorney in my presence, that the principal appears to be of sound mind and under no duress, fraud, or undue influence, that I am not the person appointed as attorney-in-fact by this document, and that I am not the principal's health care provider, an employee of the principal's health care provider, the operator of a community care facility, an employee of an operator of a community care facility, the operator of a residential care facility for the elderly, nor an employee of an operator of a residential care facility for the elderly."

(c) If the principal is a patient in a skilled nursing facility, as defined in subdivision (c) of Section 1250 of the Health and Safety Code, at the time the durable power of attorney for health care is executed, the power of attorney is not effective unless one of the witnesses is a patient advocate or ombudsman as may be designated by the Department of Aging for this purpose pursuant to any other applicable provision of law. The patient advocate or ombudsman shall

declare that he or she is serving as a witness as required by this subdivision. It is the intent of this subdivision to recognize that some patients in skilled nursing facilities are insulated from a voluntary decisionmaking role, by virtue of the custodial nature of their care, so as to require special assurance that they are capable of willfully and voluntarily executing a durable power of attorney for health care.

Comment. Section 4701 restates parts of former Civil Code Section 2432 without substantive change. Subdivision (a) (along with the incorporated rules of Section 4122) continues former Civil Code Section 2432(d) without substantive change, except for the elimination of the requirement in the last sentence of former Civil Code Section 2432(a)(3)(A) that one witness declare that he or she is not related to the principal nor entitled to any part of the principal's estate by will or operation of law.

Subdivision (b) continues the first declaration in former Civil Code Section 2432(a)(3)(A) without substantive change. Subdivision (c) continues former Civil Code Section 2432(f) without substantive change. For additional witnessing requirements, see Section 4121.

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined), 4603 (“community care facility” defined), 4606 (“durable power of attorney for health care” defined), 4615 (“health care provider” defined), 4618 (“residential care facility for the elderly” defined).

§ 4702. Limitations on who may be attorney-in-fact

4702. (a) Except as provided in subdivision (b), the following persons may not exercise authority to make health care decisions under a durable power of attorney:

(1) The treating health care provider or an employee of the treating health care provider.

(2) An operator or employee of a community care facility.

(3) An operator or employee of a residential care facility for the elderly.

(b) An employee of the treating health care provider or an employee of an operator of a community care facility or an employee of a residential care facility for the elderly may be designated as the attorney-in-fact to make health care decisions under a durable power of attorney for health care if

(1) the employee is a relative of the principal by blood, marriage, or adoption, and (2) the other requirements of this chapter are satisfied.

(c) If the principal's health care provider becomes the principal's treating health care provider, the health care provider or an employee of the health care provider may not exercise authority to make health care decisions under a durable power of attorney.

(d) A conservator may not be designated as the attorney-in-fact to make health care decisions under a durable power of attorney for health care executed by a person who is a conservatee under the Lanterman-Petris-Short Act (Part 1 (commencing with Section 5000) of Division 5 of the Welfare and Institutions Code), unless all of the following are satisfied:

(1) The power of attorney is otherwise valid.

(2) The conservatee is represented by legal counsel.

(3) The lawyer representing the conservatee signs a certificate stating in substance:

"I am a lawyer authorized to practice law in the state where this power of attorney was executed, and the principal was my client at the time this power of attorney was executed. I have advised my client concerning his or her rights in connection with this power of attorney and the applicable law and the consequences of signing or not signing this power of attorney, and my client, after being so advised, has executed this power of attorney."

Comment. Subdivision (a) of Section 4702 continues former Civil Code Section 2432(b)(1) without substantive change. Subdivision (a), along with Section 4701, which precludes health care providers in general and their employees and other specified persons from acting as witnesses to durable powers of attorney for health care, recognizes that Section 4750 provides protections from liability for a health care provider who relies in good faith on a decision of the attorney-in-fact. Subdivision (a) does not preclude a person from appointing, for example,

a friend who is a doctor to be an attorney-in-fact under the durable power of attorney for health care, but if the doctor becomes a “treating health care provider” of the principal, the doctor is precluded from acting as the attorney-in-fact under the durable power of attorney for health care.

Subdivision (b) continues former Civil Code Section 2432.5 without substantive change. Subdivision (b) provides a special exception to subdivision (a). This will, for example, permit a nurse to serve as attorney-in-fact for the nurse’s spouse when the spouse is being treated at the hospital where the nurse is employed.

Subdivision (c) continues former Civil Code Section 2432(b)(2) without substantive change.

Subdivision (d) continues former Civil Code Section 2432(c) without substantive change. This subdivision prescribes conditions that must be satisfied if a conservator is to be designated as the attorney-in-fact for a conservatee under the Lanterman-Petris-Short Act. This subdivision has no application where a person other than the conservator is to be designated as attorney-in-fact.

See also Sections 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4026 (“principal” defined), 4603 (“community care facility” defined), 4606 (“durable power of attorney for health care” defined), 4612 (“health care decision” defined), 4615 (“health care provider” defined), 4618 (“residential care facility for the elderly” defined).

§ 4703. Requirements for printed form of durable power of attorney for health care

4703. (a) A printed form of a durable power of attorney for health care that is sold or otherwise distributed in this state for use by a person who does not have the advice of legal counsel shall provide no other authority than the authority to make health care decisions on behalf of the principal and shall contain, in not less than 10-point boldface type or a reasonable equivalent thereof, the following warning statement:

**WARNING TO PERSON EXECUTING
THIS DOCUMENT**

This is an important legal document. Before executing this document, you should know these important facts:

This document gives the person you designate as your agent (the attorney-in-fact) the power to make health care decisions for you. Your agent must act consistently with your desires as stated in this document or otherwise made known.

Except as you otherwise specify in this document, this document gives your agent the power to consent to your doctor not giving treatment or stopping treatment necessary to keep you alive.

Notwithstanding this document, you have the right to make medical and other health care decisions for yourself so long as you can give informed consent with respect to the particular decision. In addition, no treatment may be given to you over your objection, and health care necessary to keep you alive may not be stopped or withheld if you object at the time.

This document gives your agent authority to consent, to refuse to consent, or to withdraw consent to any care, treatment, service, or procedure to maintain, diagnose, or treat a physical or mental condition. This power is subject to any statement of your desires and any limitations that you include in this document. You may state in this document any types of treatment that you do not desire. In addition, a court can take away the power of your agent to make health care decisions for you if your agent (1) authorizes anything that is illegal, (2) acts contrary to your known desires, or (3) where your desires are not known, does anything that is clearly contrary to your best interests.

This power will exist for an indefinite period of time unless you limit its duration in this document.

You have the right to revoke the authority of your agent by notifying your agent or your treating doctor, hospital, or other health care provider orally or in writing of the revocation.

Your agent has the right to examine your medical records and to consent to their disclosure unless you limit this right in this document.

Unless you otherwise specify in this document, this document gives your agent the power after you die to (1) authorize an autopsy, (2) donate your body or parts thereof for transplant or therapeutic or educational or scientific purposes, and (3) direct the disposition of your remains.

If there is anything in this document that you do not understand, you should ask a lawyer to explain it to you.

(b) The printed form described in subdivision (a) shall also include the following notice:

“This power of attorney will not be valid for making health care decisions unless it is either (1) signed by two qualified adult witnesses and who are present when you sign or acknowledge your signature or (2) acknowledged before a notary public in California.”

(c) This section does not apply to the statutory form provided by Section 4771.

Comment. Subdivisions (a) and (b) of Section 4703 continue former Civil Code Section 2433(a)-(b) without change, except that the statement in former Civil Code Section 2433(b) that the witnesses had to be personally known to the principal has been deleted, since it was not consistent with other substantive requirements. Subdivision (c) makes clear that the statutory form is independent of the requirements of this section.

Section 4703 sets out a warning statement that is required to be in certain printed forms if the durable power of attorney is designed to authorize health care decisions. The warning statement in subdivision (a) is comparable to the warning in Section 4771 (statutory form durable power of attorney for health care). See Section 4771 Comment.

A printed form of a durable power of attorney for health care sold in this state for use by a person who does not have the advice of legal counsel can deal only with the authority to make health care decisions. If a person wants to execute a durable power of attorney to deal with both health care decisions and property matters and the person wants to use a printed form, two different forms are required — one for health care and another for property matters. However, a person who has the advice of a lawyer may cover both health care and property matters in one durable power of attorney. In this case, the warnings or certificate required by Section 4704 must be included.

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined) 4606 (“durable power of attorney for health care” defined), 4612 (“health care decision” defined).

§ 4704. Warnings in durable power of attorney for health care not on printed form

4704. (a) A durable power of attorney prepared for execution by a person resident in this state that permits the attorney-in-fact to make health care decisions and that is not a printed form shall include one of the following:

(1) The substance of the statements provided in subdivision (a) of Section 4703 in capital letters.

(2) A certificate signed by the principal’s lawyer stating:

“I am a lawyer authorized to practice law in the state where this power of attorney was executed, and the principal was my client at the time this power of attorney was executed. I have advised my client concerning his or her rights in connection with this power of attorney and the applicable law and the consequences of signing or not signing this power of attorney, and my client, after being so advised, has executed this power of attorney.”

(b) If a durable power of attorney includes the certificate provided for in paragraph (2) of subdivision (a) and permits the attorney-in-fact to make health care decisions for the principal, the applicable law of which the client is to be advised by the lawyer signing the certificate includes, but is not limited to, the matters listed in subdivision (a) of Section 4703.

Comment. Section 4704 continues former Civil Code Section 2433(c)-(d) without substantive change. See also Sections 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined), 4612 (“health care decision” defined).

Article 2. Authority of Attorney-in-Fact Under Durable Power of Attorney for Health Care

§ 4720. Attorney-in-fact's authority to make health care decisions

4720. (a) Unless the durable power of attorney provides otherwise, the attorney-in-fact designated in a durable power of attorney for health care who is known to the health care provider to be available and willing to make health care decisions has priority over any other person to act for the principal in all matters of health care decisions, but the attorney-in-fact does not have authority to make a particular health care decision if the principal is able to give informed consent with respect to that decision.

(b) Subject to any limitations in the durable power of attorney, the attorney-in-fact designated in a durable power of attorney for health care may make health care decisions for the principal, before or after the death of the principal, to the same extent as the principal could make health care decisions if the principal had the capacity to do so, including the following:

(1) Making a disposition under the Uniform Anatomical Gift Act (Chapter 3.5 (commencing with Section 7150) of Part 1 of Division 7 of the Health and Safety Code).

(2) Authorizing an autopsy under Section 7113 of the Health and Safety Code.

(3) Directing the disposition of remains under Section 7100 of the Health and Safety Code.

(c) In exercising the authority under the durable power of attorney for health care, the attorney-in-fact has a duty to act consistent with the desires of the principal as expressed in the durable power of attorney or otherwise made known to the attorney-in-fact at any time or, if the principal's desires are unknown, to act in the best interests of the principal.

(d) Nothing in this chapter affects any right the person designated as attorney-in-fact may have, apart from the durable power of attorney for health care, to make or participate in the making of health care decisions on behalf of the principal.

Comment. Section 4720 continues former Civil Code Section 2434 without substantive change.

Subdivision (a) of Section 4720 gives the attorney-in-fact priority to make health care decisions if known to the health care provider to be available and willing to act. The power of attorney may vary this priority. Subdivision (a) also provides that the attorney-in-fact is not authorized to make health care decisions if the principal is able to give informed consent. The power of attorney may, however, give the attorney-in-fact authority to make health care decisions for the principal even though the principal is able to give informed consent, but the power of attorney is always subject to Section 4724 (if principal objects, attorney-in-fact not authorized to consent to health care or to the withholding or withdrawal of health care necessary to keep the principal alive).

Subdivision (b) authorizes the attorney-in-fact to make health care decisions, except as limited by the durable power of attorney for health care. As provided in subdivision (c), in exercising his or her authority, the attorney-in-fact has the duty to act consistent with the principal's desires if known or, if the principal's desires are unknown, to act in the best interests of the principal. This authority is subject to Section 4722 which precludes consent to certain specified types of treatment. See also Section 4723 (unauthorized acts or omissions). The principal is free to provide any limitations on types of treatment in the durable power of attorney that are desired. See also Sections 4900-4948 (court enforcement of duties of attorney-in-fact). The authority under subdivision (b) is limited by Section 4724 (attorney-in-fact not authorized to consent to health care, or to the withholding or withdrawal of health care necessary to keep the principal alive, if principal objects). An attorney-in-fact may, without liability, decline to act under the power of attorney. For example, the attorney-in-fact may not be willing to follow the desires of the principal as stated in the power of attorney because of changed circumstances. Subdivision (d) makes clear that, in such a case, the attorney-in-fact may make or participate in the making of health care decisions for the principal without being bound by the stated desires of the principal to the extent that the person designated as the attorney-in-fact has the right under the applicable law apart from the durable power of attorney.

The description of certain post-death decisions in subdivision (b) is not intended to limit the authority to make such decisions under the governing statutes in the Health and Safety Code.

See also Sections 4014 (“attorney-in-fact” defined), 4018 (“durable power of attorney” defined), 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined), 4612 (“health care decision” defined), 4615 (“health care provider” defined).

§ 4721. Availability of medical information to attorney-in-fact

4721. Except to the extent the right is limited by the durable power of attorney for health care, an attorney-in-fact designated to make health care decisions under a durable power of attorney for health care has the same right as the principal to receive information regarding the proposed health care, to receive and review medical records, and to consent to the disclosure of medical records.

Comment. Section 4721 continues former Civil Code Section 2436 without substantive change. Section 4721 makes clear that the attorney-in-fact can obtain and disclose information in the medical records of the principal. The power of attorney may limit the right of the attorney-in-fact, for example, by precluding examination of specified medical records or by providing that the examination of medical records is authorized only if the principal lacks the capacity to give informed consent. The right of the attorney-in-fact is subject to any limitations on the right of the patient to reach medical records. See Health & Safety Code §§ 1795.14 (denial of right to inspect mental health records), 1795.20 (providing summary of record rather than allowing access to entire record).

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined), 4609 (“health care” defined), 4612 (“health care decision” defined).

§ 4722. Limitations on attorney-in-fact’s authority

4722. A power of attorney may not authorize the attorney-in-fact to consent to any of the following on behalf of the principal:

(a) Commitment to or placement in a mental health treatment facility.

(b) Convulsive treatment (as defined in Section 5325 of the Welfare and Institutions Code).

(c) Psychosurgery (as defined in Section 5325 of the Welfare and Institutions Code).

(d) Sterilization.

(e) Abortion.

Comment. Section 4722 continues former Civil Code Section 2435 without substantive change. The word “durable” has been omitted because the prohibition of this section applies to all powers of attorney. A power of attorney may not vary the limitations of this section. See also Section 4723 (unauthorized acts and omissions).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4723. Unauthorized acts or omissions

4723. Nothing in this chapter shall be construed to condone, authorize, or approve mercy killing, or to permit any affirmative or deliberate act or omission to end life other than the withholding or withdrawal of health care pursuant to a durable power of attorney for health care so as to permit the natural process of dying. In making health care decisions under a durable power of attorney for health care, an attempted suicide by the principal shall not be construed to indicate a desire of the principal that health care treatment be restricted or inhibited.

Comment. Section 4723 continues former Civil Code Section 2443 without change, except for the substitution of a reference to “chapter” instead of “article.” Section 4723 does not prevent the withholding or withdrawal of health care to permit the natural process of dying.

See also Sections 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined), 4609 (“health care” defined), 4612 (“health care decision” defined).

§ 4724. Principal’s objections

4724. Nothing in this chapter authorizes an attorney-in-fact to consent to health care, or to consent to the withholding or withdrawal of health care necessary to keep the principal

alive, if the principal objects to the health care or to the withholding or withdrawal of the health care. In such a case, the case is governed by the law that would apply if there were no durable power of attorney for health care.

Comment. Section 4724 continues former Civil Code Section 2440 without change, except for a reference to “chapter” instead of “article.”

Section 4724 precludes the attorney-in-fact from consenting to treatment for the principal when the principal does not want the treatment or from consenting to the withholding or withdrawal of treatment necessary to keep the principal alive if the principal objects to withholding or stopping the treatment. This section does not limit any right the attorney-in-fact may have apart from the authority under the durable power of attorney for health care. See Section 4720(c).

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined), 4609 (“health care” defined).

§ 4725. Restriction on execution of durable power of attorney for health care as condition for admission, treatment, or insurance

4725. No health care provider, health care service plan, insurer issuing disability insurance, self-insured employee welfare plan, or nonprofit hospital plan or similar insurance plan, may condition admission to a facility, or the providing of treatment, or insurance, on the requirement that a patient execute a durable power of attorney for health care.

Comment. Section 4725 continues former Civil Code Section 2441 without change. Section 4725 is intended to eliminate the possibility that duress might be used by a health care provider or insurer to cause the patient to execute a durable power of attorney for health care.

See also Sections 4606 (“durable power of attorney for health care” defined), 4615 (“health care provider” defined).

§ 4726. Alteration or forging, or concealment or withholding knowledge of revocation of durable power of attorney for health care

4726. Any person who, except where justified or excused by law, alters or forges a durable power of attorney for health care of another, or willfully conceals or withholds personal knowledge of a revocation as provided under Section 4727,

with the intent to cause a withholding or withdrawal of health care necessary to keep the principal alive contrary to the desires of the principal, and thereby, because of that act, directly causes health care necessary to keep the principal alive to be withheld or withdrawn and the death of the principal thereby to be hastened, is subject to prosecution for unlawful homicide as provided in Chapter 1 (commencing with Section 187) of Title 4 of Part 1 of the Penal Code.

Comment. Section 4726 continues former Civil Code Section 2442 without change, except for the revision of a cross-reference to another section. This section is similar to Section 7191(d) of the Health and Safety Code (Natural Death Act).

See also Sections 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined), 4609 (“health care” defined).

§ 4727. Revocation of durable power of attorney for health care

4727. (a) At any time while the principal has the capacity to give a durable power of attorney for health care, the principal may do any of the following:

(1) Revoke the appointment of the attorney-in-fact under the durable power of attorney for health care by notifying the attorney-in-fact orally or in writing.

(2) Revoke the authority granted to the attorney-in-fact to make health care decisions by notifying the health care provider orally or in writing.

(b) If the principal notifies the health care provider orally or in writing that the authority granted to the attorney-in-fact to make health care decisions is revoked, the health care provider shall make the notification a part of the principal’s medical records and shall make a reasonable effort to notify the attorney-in-fact of the revocation.

(c) It is presumed that the principal has the capacity to revoke a durable power of attorney for health care. This presumption is a presumption affecting the burden of proof.

(d) Unless it provides otherwise, a valid durable power of attorney for health care revokes any prior durable power of attorney for health care.

(e) Unless the durable power of attorney for health care expressly provides otherwise, if after executing a durable power of attorney for health care the principal's marriage is dissolved or annulled, the dissolution or annulment revokes any designation of the former spouse as an attorney-in-fact to make health care decisions for the principal. If any designation is revoked solely by this subdivision, it is revived by the principal's remarriage to the former spouse.

(f) If authority granted by a durable power of attorney for health care is revoked under this section, a person is not subject to criminal prosecution or civil liability for acting in good faith reliance upon the durable power of attorney for health care unless the person has actual knowledge of the revocation.

Comment. Section 4727 continues former Civil Code Section 2437 without change, except for some technical, nonsubstantive revisions. This section makes clear that the principal can revoke the appointment of the attorney-in-fact or the authority granted to the attorney-in-fact by oral or written notification to the attorney-in-fact or health care provider. The principal may revoke the appointment or authority only if, at the time of revocation, the principal has sufficient capacity to give a durable power of attorney for health care. The burden of proof is on the person who seeks to establish that the principal did not have the capacity to revoke the appointment or authority. See subdivision (c). Although the authorization to act as attorney-in-fact to make health care decisions is revoked if the principal notifies the attorney-in-fact orally or in writing that the appointment of the attorney-in-fact is revoked, a health care provider is protected if the health care provider without knowledge of the revocation acts in good faith on a health care decision of the attorney-in-fact. See Section 4750 (immunities of health care provider).

Subdivision (b) is intended to preserve a record of a written or oral revocation. It also provides a means by which notice of an oral or written revocation to a health care provider may come to the attention of a successor health care provider and imposes a duty to make a reasonable effort to notify the attorney-in-fact of the revocation.

Subdivision (f) makes clear that a person is not liable for acting in good faith reliance upon the durable power of attorney unless the person has actual knowledge of its revocation. This subdivision is a specific application of the general agency rule stated in Civil Code Section 2356(b) and is comparable to a provision found in the Natural Death Act. See Health & Safety Code § 7188. Although a person is protected if the person acts in good faith and without actual notice of the revocation, a person who withholds knowledge of the revocation is guilty of unlawful homicide where the death of the principal is hastened as a result of the failure to disclose the revocation. See Section 4726.

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined), 4612 (“health care decision” defined), 4615 (“health care provider” defined).

Article 3. Protections and Immunities

§ 4750. Immunities of health care provider

4750. (a) Subject to any limitations stated in the durable power of attorney for health care and to subdivision (b) and to Sections 4722, 4723, 4724, 4725, and 4726, a health care provider is not subject to criminal prosecution, civil liability, or professional disciplinary action except to the same extent as would be the case if the principal, having had the capacity to give informed consent, had made the health care decision on his or her own behalf under like circumstances, if the health care provider relies on a health care decision and both of the following requirements are satisfied:

(1) The decision is made by an attorney-in-fact who the health care provider believes in good faith is authorized under this chapter to make the decision.

(2) The health care provider believes in good faith that the decision is not inconsistent with the desires of the principal as expressed in the durable power of attorney for health care or otherwise made known to the health care provider, and, if the decision is to withhold or withdraw health care necessary to keep the principal alive, the health care provider has made a

good faith effort to determine the desires of the principal to the extent that the principal is able to convey those desires to the health care provider and the results of the effort are made a part of the principal's medical records.

(b) Nothing in this chapter authorizes a health care provider to do anything illegal.

(c) Notwithstanding the health care decision of the attorney-in-fact designated by a durable power of attorney for health care, the health care provider is not subject to criminal prosecution, civil liability, or professional disciplinary action for failing to withdraw health care necessary to keep the principal alive.

Comment. Section 4750 continues former Civil Code Section 2438 without change, except for the revision of cross-references to other provisions and other technical, nonsubstantive revisions.

Section 4750 implements this chapter by protecting the health care provider who acts in good faith reliance on a health care decision made by an agent pursuant to this chapter. The protection under Section 4750 is limited. A health care provider is not protected from liability for malpractice. Nor is a health care provider protected if the health care provider fails to provide the agent with the information necessary so that the attorney-in-fact can give informed consent. Nor is a health care provider authorized to do anything illegal. See also Sections 4722 (forms of treatment not authorized by durable power of attorney for health care), 4723 (unauthorized acts and omissions).

Subdivision (c) provides immunity to the health care provider insofar as there might otherwise be liability for failing to comply with a decision of the attorney-in-fact to withdraw consent previously given to provide health care necessary to keep the principal alive. This subdivision does not deal with providing health care necessary to keep the principal alive. The situations where such health care can be provided without informed consent (such as an emergency situation) continue to be governed by the law otherwise applicable.

See also Sections 4014 ("attorney-in-fact" defined), 4026 ("principal" defined), 4603 ("health care" defined), 4606 ("durable power of attorney for health care" defined), 4612 ("health care decision" defined), 4615 ("health care provider" defined), 4618 ("residential care facility for the elderly" defined).

§ 4751. Convincing evidence of identity of principal

4751. For the purposes of the declaration of witnesses required by Section 4701 or 4771, “convincing evidence” means the absence of any information, evidence, or other circumstances which would lead a reasonable person to believe that the person signing or acknowledging the durable power of attorney for health care as principal is not the individual he or she claims to be and any one of the following:

(a) Reasonable reliance on the presentation of any one of the following, if the document is current or has been issued within five years:

(1) An identification card or driver’s license issued by the California Department of Motor Vehicles.

(2) A passport issued by the Department of State of the United States.

(b) Reasonable reliance on the presentation of any one of the following, if the document is current or has been issued within five years and contains a photograph and description of the person named on it, is signed by the person, bears a serial or other identifying number, and, in the event that the document is a passport, has been stamped by the United States Immigration and Naturalization Service:

(1) A passport issued by a foreign government.

(2) A driver’s license issued by a state other than California or by a Canadian or Mexican public agency authorized to issue drivers’ licenses.

(3) An identification card issued by a state other than California.

(4) An identification card issued by any branch of the armed forces of the United States.

(c) If the principal is a patient in a skilled nursing facility, a witness who is a patient advocate or ombudsman may, for the purposes of Section 4701 or 4771, rely upon the

representations of the administrators or staff of the skilled nursing facility, or of family members, as convincing evidence of the identity of the principal if the patient advocate or ombudsman believes that the representations provide a reasonable basis for determining the identity of the principal.

Comment. Section 4751 continues former Civil Code Section 2511 without substantive change. This section is drawn from Civil Code Section 1185 (acknowledgment of instrument by notary public), but is more restrictive because this section does not include the substance of Civil Code Section 1185(c)(1).

See also Sections 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined).

§ 4752. Presumption concerning power executed in other jurisdiction

4752. In the absence of knowledge to the contrary, a physician and surgeon or other health care provider may presume that a durable power of attorney for health care or similar instrument, whether executed in another state or jurisdiction or in this state, is valid.

Comment. Section 4752 continues former Civil Code Section 2438.5 without change. See also Sections 4606 (“durable power of attorney for health care” defined), 4615 (“health care provider” defined).

CHAPTER 3. STATUTORY FORM DURABLE POWER OF ATTORNEY FOR HEALTH CARE

§ 4770. Short title

4770. This chapter shall be known and may be cited as the Keene Health Care Agent Act.

Comment. Section 4770 continues former Civil Code Section 2508 without change.

§ 4771. Statutory form durable power of attorney for health care

4771. The use of the following form in the creation of a durable power of attorney for health care under Chapter 1 (commencing with Section 4600) is lawful, and when used, the power of attorney shall be construed in accordance with

this chapter and is subject to Chapter 1 (commencing with Section 4600), provided, however, that the use of a form previously authorized by this statute (at the time it was so authorized) remains valid.

STATUTORY FORM

DURABLE POWER OF ATTORNEY FOR HEALTH CARE

(California Probate Code Section 4771)

WARNING TO PERSON EXECUTING THIS DOCUMENT

THIS IS AN IMPORTANT LEGAL DOCUMENT WHICH IS AUTHORIZED BY THE KEENE HEALTH CARE AGENT ACT. BEFORE EXECUTING THIS DOCUMENT, YOU SHOULD KNOW THESE IMPORTANT FACTS:

THIS DOCUMENT GIVES THE PERSON YOU DESIGNATE AS YOUR AGENT (THE ATTORNEY-IN-FACT) THE POWER TO MAKE HEALTH CARE DECISIONS FOR YOU. YOUR AGENT MUST ACT CONSISTENTLY WITH YOUR DESIRES AS STATED IN THIS DOCUMENT OR OTHERWISE MADE KNOWN.

EXCEPT AS YOU OTHERWISE SPECIFY IN THIS DOCUMENT, THIS DOCUMENT GIVES YOUR AGENT THE POWER TO CONSENT TO YOUR DOCTOR NOT GIVING TREATMENT OR STOPPING TREATMENT NECESSARY TO KEEP YOU ALIVE.

NOTWITHSTANDING THIS DOCUMENT, YOU HAVE THE RIGHT TO MAKE MEDICAL AND OTHER HEALTH CARE DECISIONS FOR YOURSELF SO LONG AS YOU CAN GIVE INFORMED CONSENT WITH RESPECT TO THE PARTICULAR DECISION. IN

ADDITION, NO TREATMENT MAY BE GIVEN TO YOU OVER YOUR OBJECTION AT THE TIME, AND HEALTH CARE NECESSARY TO KEEP YOU ALIVE MAY NOT BE STOPPED OR WITHHELD IF YOU OBJECT AT THE TIME.

THIS DOCUMENT GIVES YOUR AGENT AUTHORITY TO CONSENT, TO REFUSE TO CONSENT, OR TO WITHDRAW CONSENT TO ANY CARE, TREATMENT, SERVICE, OR PROCEDURE TO MAINTAIN, DIAGNOSE, OR TREAT A PHYSICAL OR MENTAL CONDITION. THIS POWER IS SUBJECT TO ANY STATEMENT OF YOUR DESIRES AND ANY LIMITATIONS THAT YOU INCLUDE IN THIS DOCUMENT. YOU MAY STATE IN THIS DOCUMENT ANY TYPES OF TREATMENT THAT YOU DO NOT DESIRE. IN ADDITION, A COURT CAN TAKE AWAY THE POWER OF YOUR AGENT TO MAKE HEALTH CARE DECISIONS FOR YOU IF YOUR AGENT (1) AUTHORIZES ANYTHING THAT IS ILLEGAL, (2) ACTS CONTRARY TO YOUR KNOWN DESIRES, OR (3) WHERE YOUR DESIRES ARE NOT KNOWN, DOES ANYTHING THAT IS CLEARLY CONTRARY TO YOUR BEST INTERESTS.

THE POWERS GIVEN BY THIS DOCUMENT WILL EXIST FOR AN INDEFINITE PERIOD OF TIME UNLESS YOU LIMIT THEIR DURATION IN THIS DOCUMENT.

YOU HAVE THE RIGHT TO REVOKE THE AUTHORITY OF YOUR AGENT BY NOTIFYING YOUR AGENT OR YOUR TREATING DOCTOR, HOSPITAL, OR OTHER HEALTH CARE PROVIDER ORALLY OR IN WRITING OF THE REVOCATION.

YOUR AGENT HAS THE RIGHT TO EXAMINE YOUR MEDICAL RECORDS AND TO CONSENT TO THEIR

DISCLOSURE UNLESS YOU LIMIT THIS RIGHT IN THIS DOCUMENT.

UNLESS YOU OTHERWISE SPECIFY IN THIS DOCUMENT, THIS DOCUMENT GIVES YOUR AGENT THE POWER AFTER YOU DIE TO (1) AUTHORIZE AN AUTOPSY, (2) DONATE YOUR BODY OR PARTS THEREOF FOR TRANSPLANT OR THERAPEUTIC OR EDUCATIONAL OR SCIENTIFIC PURPOSES, AND (3) DIRECT THE DISPOSITION OF YOUR REMAINS.

THIS DOCUMENT REVOKES ANY PRIOR DURABLE POWER OF ATTORNEY FOR HEALTH CARE.

YOU SHOULD CAREFULLY READ AND FOLLOW THE WITNESSING PROCEDURE DESCRIBED AT THE END OF THIS FORM. THIS DOCUMENT WILL NOT BE VALID UNLESS YOU COMPLY WITH THE WITNESSING PROCEDURE.

IF THERE IS ANYTHING IN THIS DOCUMENT THAT YOU DO NOT UNDERSTAND, YOU SHOULD ASK A LAWYER TO EXPLAIN IT TO YOU.

YOUR AGENT MAY NEED THIS DOCUMENT IMMEDIATELY IN CASE OF AN EMERGENCY THAT REQUIRES A DECISION CONCERNING YOUR HEALTH CARE. EITHER KEEP THIS DOCUMENT WHERE IT IS IMMEDIATELY AVAILABLE TO YOUR AGENT AND ALTERNATE AGENTS OR GIVE EACH OF THEM AN EXECUTED COPY OF THIS DOCUMENT. YOU MAY ALSO WANT TO GIVE YOUR DOCTOR AN EXECUTED COPY OF THIS DOCUMENT.

DO NOT USE THIS FORM IF YOU ARE A CONSERVATEE UNDER THE LANTERMAN-PETRIS-SHORT ACT AND YOU WANT TO APPOINT YOUR CONSERVATOR AS YOUR AGENT. YOU CAN DO THAT ONLY IF THE APPOINTMENT DOCUMENT INCLUDES A CERTIFICATE OF YOUR ATTORNEY.

1. DESIGNATION OF HEALTH CARE AGENT.

I, _____

(Insert your name and address)

do hereby designate and appoint _____

(Insert name, address, and telephone number of one individual only as your agent to make health care decisions for you. None of the following may be designated as your agent: (1) your treating health care provider, (2) a nonrelative employee of your treating health care provider, (3) an operator of a community care facility, (4) a nonrelative employee of an operator of a community care facility, (5) an operator of a residential care facility for the elderly, or (6) a nonrelative employee of an operator of a residential care facility for the elderly.)

as my agent to make health care decisions for me as authorized in this document. For the purposes of this document, "health care decision" means consent, refusal of consent, or withdrawal of consent to any care, treatment, service, or procedure to maintain, diagnose, or treat an individual's physical or mental condition.

2. CREATION OF DURABLE POWER OF ATTORNEY FOR HEALTH CARE.

By this document I intend to create a durable power of attorney for health care under Sections 4600 to 4752, inclusive, of the California Probate Code. This power of attorney is authorized by the Keene Health Care Agent Act and shall be construed in accordance with the provisions of Sections 4770 to 4779, inclusive, of the California Probate Code. This power of attorney shall not be affected by my subsequent incapacity.

3. GENERAL STATEMENT OF AUTHORITY GRANTED.

Subject to any limitations in this document, I hereby grant to my agent full power and authority to make health care

decisions for me to the same extent that I could make such decisions for myself if I had the capacity to do so. In exercising this authority, my agent shall make health care decisions that are consistent with my desires as stated in this document or otherwise made known to my agent, including, but not limited to, my desires concerning obtaining or refusing or withdrawing life-prolonging care, treatment, services, and procedures.

(If you want to limit the authority of your agent to make health care decisions for you, you can state the limitations in paragraph 4 (“Statement of Desires, Special Provisions, and Limitations”) below. You can indicate your desires by including a statement of your desires in the same paragraph.)

4. STATEMENT OF DESIRES, SPECIAL PROVISIONS, AND LIMITATIONS.

(Your agent must make health care decisions that are consistent with your known desires. You can, but are not required to, state your desires in the space provided below. You should consider whether you want to include a statement of your desires concerning life-prolonging care, treatment, services, and procedures. You can also include a statement of your desires concerning other matters relating to your health care. You can also make your desires known to your agent by discussing your desires with your agent or by some other means. If there are any types of treatment that you do not want to be used, you should state them in the space below. If you want to limit in any other way the authority given your agent by this document, you should state the limits in the space below. If you do not state any limits, your agent will have broad powers to make health care decisions for you, except to the extent that there are limits provided by law.)

In exercising the authority under this durable power of attorney for health care, my agent shall act consistently with

my desires as stated below and is subject to the special provisions and limitations stated below:

(a) Statement of desires concerning life-prolonging care, treatment, services, and procedures:

(b) Additional statement of desires, special provisions, and limitations:

(You may attach additional pages if you need more space to complete your statement. If you attach additional pages, you must date and sign EACH of the additional pages at the same time you date and sign this document.)

5. INSPECTION AND DISCLOSURE OF INFORMATION RELATING TO MY PHYSICAL OR MENTAL HEALTH.

Subject to any limitations in this document, my agent has the power and authority to do all of the following:

(a) Request, review, and receive any information, verbal or written, regarding my physical or mental health, including, but not limited to, medical and hospital records.

(b) Execute on my behalf any releases or other documents that may be required in order to obtain this information.

(c) Consent to the disclosure of this information.

(If you want to limit the authority of your agent to receive and disclose information relating to your health, you must state the limitations in paragraph 4 (“Statement of Desires, Special Provisions, and Limitations”) above.)

6. SIGNING DOCUMENTS, WAIVERS, AND RELEASES.

Where necessary to implement the health care decisions that my agent is authorized by this document to make, my agent has the power and authority to execute on my behalf all of the following:

(a) Documents titled or purporting to be a “Refusal to Permit Treatment” and “Leaving Hospital Against Medical Advice.”

(b) Any necessary waiver or release from liability required by a hospital or physician.

7. AUTOPSY; ANATOMICAL GIFTS; DISPOSITION OF REMAINS.

Subject to any limitations in this document, my agent has the power and authority to do all of the following:

(a) Authorize an autopsy under Section 7113 of the Health and Safety Code.

(b) Make a disposition of a part or parts of my body under the Uniform Anatomical Gift Act (Chapter 3.5 (commencing with Section 7150) of Part 1 of Division 7 of the Health and Safety Code).

(c) Direct the disposition of my remains under Section 7100 of the Health and Safety Code.

(If you want to limit the authority of your agent to consent to an autopsy, make an anatomical gift, or direct the disposition of your remains, you must state the limitations in paragraph 4 (“Statement of Desires, Special Provisions, and Limitations”) above.)

8. DURATION.

(Unless you specify otherwise in the space below, this power of attorney will exist for an indefinite period of time.)

This durable power of attorney for health care expires on

(Fill in this space ONLY if you want to limit the duration of this power of attorney.)

9. DESIGNATION OF ALTERNATE AGENTS.

(You are not required to designate any alternate agents but you may do so. Any alternate agent you designate will be able to make the same health care decisions as the agent you designated in paragraph 1, above, in the event that agent is unable or ineligible to act as your agent. If the agent you designated is your spouse, he or she becomes ineligible to act as your agent if your marriage is dissolved.)

If the person designated as my agent in paragraph 1 is not available or becomes ineligible to act as my agent to make a health care decision for me or loses the mental capacity to make health care decisions for me, or if I revoke that person’s appointment or authority to act as my agent to make health care decisions for me, then I designate and appoint the following persons to serve as my agent to make health care decisions for me as authorized in this document, these persons to serve in the order listed below:

A. First Alternate Agent _____

(Insert name, address, and telephone number of first alternate agent)

B. Second Alternate Agent _____

(Insert name, address, and telephone number of second alternate agent)

10. NOMINATION OF CONSERVATOR OF PERSON.

(A conservator of the person may be appointed for you if a court decides that one should be appointed. The conservator is responsible for your physical care, which under some circumstances includes making health care decisions for you. You are not required to nominate a conservator but you may do so. The court will appoint the person you nominate unless that would be contrary to your best interests. You may, but are not required to, nominate as your conservator the same person you named in paragraph 1 as your health care agent. You can nominate an individual as your conservator by completing the space below.)

If a conservator of the person is to be appointed for me, I nominate the following individual to serve as conservator of the person:

(Insert name and address of person nominated
as conservator of the person)

11. PRIOR DESIGNATIONS REVOKED. I revoke any prior durable power of attorney for health care.

DATE AND SIGNATURE OF PRINCIPAL

(YOU MUST DATE AND SIGN THIS POWER OF ATTORNEY)

I sign my name to this Statutory Form Durable Power of Attorney for Health Care on _____ (Date)

at _____, _____ (City) (State)

(You sign here)

(THIS POWER OF ATTORNEY WILL NOT BE VALID UNLESS IT IS SIGNED BY TWO QUALIFIED WITNESSES WHO ARE PRESENT WHEN YOU SIGN OR ACKNOWLEDGE YOUR SIGNATURE. IF YOU HAVE ATTACHED ANY ADDITIONAL PAGES TO THIS FORM, YOU MUST DATE AND SIGN EACH OF THE ADDITIONAL PAGES AT THE SAME TIME YOU DATE AND SIGN THIS POWER OF ATTORNEY.)

STATEMENT OF WITNESSES

(This document must be witnessed by two qualified adult witnesses. None of the following may be used as a witness: (1) a person you designate as your agent or alternate agent, (2) a health care provider, (3) an employee of a health care provider, (4) the operator of a community care facility, (5) an employee of an operator of a community care facility, (6) the operator of a residential care facility for the elderly, or (7) an employee of an operator of a residential care facility for the elderly. At least one of the witnesses must make the additional declaration set out following the place where the witnesses sign.)

(READ CAREFULLY BEFORE SIGNING. You can sign as a witness only if you personally know the principal or the identity of the principal is proved to you by convincing evidence.)

(To have convincing evidence of the identity of the principal, you must be presented with and reasonably rely on any one or more of the following:

(1) An identification card or driver's license issued by the California Department of Motor Vehicles that is current or has been issued within five years.

(2) A passport issued by the Department of State of the United States that is current or has been issued within five years.

(3) Any of the following documents if the document is current or has been issued within five years and contains a photograph and description of the person named on it, is signed by the person, and bears a serial or other identifying number:

(a) A passport issued by a foreign government that has been stamped by the United States Immigration and Naturalization Service.

(b) A driver's license issued by a state other than California or by a Canadian or Mexican public agency authorized to issue drivers' licenses.

(c) An identification card issued by a state other than California.

(d) An identification card issued by any branch of the armed forces of the United States.

(4) If the principal is a patient in a skilled nursing facility, a witness who is a patient advocate or ombudsman may rely upon the representations of the administrator or staff of the skilled nursing facility, or of family members, as convincing evidence of the identity of the principal if the patient advocate

or ombudsman believes that the representations provide a reasonable basis for determining the identity of the principal.) (Other kinds of proof of identity are not allowed.)

I declare under penalty of perjury under the laws of California that the person who signed or acknowledged this document is personally known to me (or proved to me on the basis of convincing evidence) to be the principal, that the principal signed or acknowledged this durable power of attorney in my presence, that the principal appears to be of sound mind and under no duress, fraud, or undue influence, that I am not the person appointed as agent by this document, and that I am not a health care provider, an employee of a health care provider, the operator of a community care facility, an employee of an operator of a community care facility, the operator of a residential care facility for the elderly, nor an employee of an operator of a residential care facility for the elderly.

Signature: _____ Residence Address: _____
Print Name: _____
Date: _____

Signature: _____ Residence Address: _____
Print Name: _____
Date: _____

**STATEMENT OF PATIENT ADVOCATE
OR OMBUDSMAN**

(If you are a patient in a skilled nursing facility, one of the witnesses must be a patient advocate or ombudsman. The following statement is required only if you are a patient in a skilled nursing facility — a health care facility that provides the following basic services: skilled nursing care and supportive care to patients whose primary need is for

availability of skilled nursing care on an extended basis. The patient advocate or ombudsman must sign both parts of the “Statement of Witnesses” above AND must also sign the following statement.)

I further declare under penalty of perjury under the laws of California that I am a patient advocate or ombudsman as designated by the State Department of Aging and that I am serving as a witness as required by subdivision (c) of Section 4701 of the Probate Code.

Signature: _____

Comment. Section 4771 continues former Civil Code Section 2500 without substantive change, except for the elimination of the special statement required from one witness that he or she is not related to the principal and will not take any part of the principal’s estate by will or operation of law. This change is consistent with the general rules concerning execution of durable powers of attorney for health care (Section 4701) and powers of attorney generally (Section 4122). Cross-references have also been revised, and other technical, nonsubstantive revisions have been made.

Section 4771 is consistent with and subject to the substantive law applicable to a durable power of attorney for health care. See Sections 4600-4779 (durable power of attorney for health care), 4900-4948 (court review). However, in the statutory form durable power of attorney for health care, the warning set forth in Section 4771 replaces the one set forth in Section 4703. See also Section 4772 (warning or lawyer’s certificate). Two witnesses are required for use of a statutory form durable power of attorney for health care; acknowledgment before a notary is not permitted. Compare Section 4771 with Section 4700(b) (incorporating rules in Section 4171 permitting acknowledgment before notary public). The last sentence of the fifth paragraph of the “warning” recognizes the authority given the court by Section 4942.

As to use of forms complying with former law, see Section 4775. See also Sections 4014 (“attorney-in-fact” defined to include agent), 4026 (“principal” defined), 4603 (“community care facility” defined), 4606 (“durable power of attorney for health care” defined), 4609 (“health care” defined), 4612 (“health care decision” defined), 4615 (“health care

provider” defined), 4618 (“residential care facility for the elderly” defined).

§ 4772. Warning or lawyer’s certificate

4772. (a) Notwithstanding Section 4703, except as provided in subdivision (b), a statutory form durable power of attorney for health care, to be valid, shall contain, in not less than 10-point boldface type or a reasonable equivalent thereof, the warning statement that is set forth in capital letters at the beginning of Section 4771.

(b) Subdivision (a) does not apply if the statutory form durable power of attorney for health care contains a certificate signed by the principal’s lawyer stating the following:

“I am a lawyer authorized to practice law in the state where this power of attorney was executed, and the principal was my client at the time when this power of attorney was executed. I have advised my client concerning his or her rights in connection with this power of attorney and the applicable law and the consequences of signing or not signing this power of attorney, and my client, after being so advised, has executed this power of attorney.”

Comment. Section 4772 continues former Civil Code Section 2501 without substantive change. This section invalidates a statutory form durable power of attorney for health care that does not contain the statutory warning or, in lieu of the warning, a lawyer’s certificate. The warning set forth in Section 4771 must be used in the statutory form instead of the warning set forth in Section 4703.

See also Sections 4026 (“principal” defined), 4621 (“statutory form durable power of attorney for health care” defined).

§ 4773. Formal requirements

4773. (a) Notwithstanding subdivision (c) of Section 4121, a statutory form durable power of attorney for health care is valid, and the designated attorney-in-fact may make health care decisions pursuant to its authority, only if it (1) contains the date of its execution, (2) is signed by the principal, and (3)

is signed by two qualified witnesses, each of whom executes, under penalty of perjury, the declaration set forth in the first paragraph of the “Statement of Witnesses” in the form set forth in Section 4771, and one of whom also executes the declaration under penalty of perjury set forth in the second paragraph of the “Statement of Witnesses” in the form set forth in Section 4771.

(b) Nothing in this section excuses compliance with the special requirements imposed by subdivision (c) of Section 4701 and subdivision (d) of Section 4702.

Comment. Section 4773 continues former Civil Code Section 2502 without change, except for the revision of cross-references to other provisions.

Section 4773 is comparable to Section 4700. To be valid, a statutory form durable power of attorney for health care must satisfy the requirements of Sections 4772 and 4773. It should be noted that a statutory form durable power of attorney for health care requires two witnesses and, unlike the general rule under Section 4700(b) (incorporating execution rules of Section 4121), acknowledgment before a notary is not authorized.

See also Sections 4014 (“attorney-in-fact” defined), 4612 (“health care decision” defined), 4026 (“principal” defined), 4621 (“statutory form durable power of attorney for health care” defined).

§ 4774. Requirements for statutory form

4774. (a) Subject to subdivisions (b), (c), and (d), a power of attorney is a “statutory form durable power of attorney for health care,” as this phrase is used in this chapter, if it meets both of the following requirements:

(1) It meets the requirements of Sections 4772 and 4773.

(2) It includes the exact wording of the text of paragraphs 1, 2, 3, and 4 of the form set forth in Section 4771.

(b) A statutory form durable power of attorney for health care may include one or more or all of paragraphs 5 to 11, inclusive, of the form set forth in Section 4771.

(c) A printed statutory form durable power of attorney for health care sold or otherwise distributed in this state for use

by a person who does not have the advice of legal counsel shall contain the exact wording of the form set forth in Section 4771, including the warning and instructions, and nothing else. Nothing in this subdivision prohibits selling or otherwise distributing with the printed form (1) material that explains the form and its use if the material is separate from the printed form itself and is not a part of the form executed by the principal or (2) one or more additional pages that are separate from the printed form itself that a person may attach to the printed form as provided in subdivision (d) if the person so chooses.

(d) If one or more additional pages are attached to a statutory form durable power of attorney for health care as a statement, or additional statement, to be a part of subparagraph (a) or (b), or both, of paragraph 4 (“Statement of Desires, Special Provisions, and Limitations”) of the form set forth in Section 4771, each of the additional pages shall be dated and signed by the principal at the same time the principal dates and signs the statutory form durable power of attorney for health care.

Comment. Section 4774 continues former Civil Code Section 2503 without substantive change. This section permits use of a statutory form durable power of attorney for health care that omits portions of the form set forth in Section 4771, such as, for example, the paragraph on “Duration.” However, if the form is sold or distributed for use by a person who does not have a lawyer, the form must be exactly as set forth in the statute with nothing omitted. Section 4774 also permits use of a printed statutory form that includes separate attached printed statements of desires, special provisions, and limitations, if the person using the form so desires, such as, for example, a statement that the health care attorney-in-fact is to confer with specified members of the principal’s family who are reasonably available before making specified health care decisions or a statement that the attorney-in-fact is authorized and directed to arrange for care of the principal by spiritual means through prayer in accordance with the tenets and practices of a recognized church or religious denomination by an accredited practitioner thereof. A separately printed statement of the principal’s desires concerning life-prolonging care, treatment, services, and procedures may also be used.

The statements of desires, special provisions, and limitations — whether or not printed — are, of course, subject to the provisions of Chapter 1 (commencing with Section 4600). See the introductory clause of Section 4771.

See also Sections 4022 (“power of attorney” defined), 4026 (“principal” defined), 4621 (“statutory form durable power of attorney for health care” defined).

§ 4775. Use of forms valid under prior law

4775. (a) A statutory form durable power of attorney for health care executed on or after January 1, 1992, using a form that complies with former Section 2500 of the Civil Code is as valid as if it had been executed using a form that complies with Section 4771 of this code.

(b) Notwithstanding former Section 2501 of the Civil Code or Section 4772 of this code, a statutory form durable power of attorney for health care executed on or after January 1, 1992, is not invalid if it contains the warning using the language set forth in former Section 2500 of the Civil Code instead of the warning using the language set forth in Section 4771 of this code.

(c) For the purposes of subdivision (c) of former Section 2503 of the Civil Code and subdivision (c) of Section 4774 of this code, on and after January 1, 1992, a printed statutory form durable power of attorney for health care may be sold or otherwise distributed if it contains the exact wording of the form set forth in former Section 2500 of the Civil Code or the exact wording of the form set forth in Section 4771 of this code, including the warning and instructions, and nothing else; but any printed statutory form durable power of attorney for health care printed on or after January 1, 1992, that is sold or otherwise distributed in this state for use by a person who does not have the advice of legal counsel shall contain the exact wording of the form set forth in former Section 2500 of the Civil Code or the exact wording of the form set forth in

Section 4771 of this code, including the warning and instructions, and nothing else.

Comment. Section 4775 supersedes former Civil Code Section 2503.5, but like the former section, this section permits continued use of the form prescribed under former law until existing supplies are exhausted. Section 4775 permits use of a form complying with former Civil Code Section 2500 (applicable from January 1, 1986, until January 1, 1992). Accordingly, after January 1, 1992, either the form set forth in former Civil Code Section 2500 or the form set forth in Section 4771 may be used. This avoids the need to discard existing printed forms on January 1, 1992. However, forms printed on or after January 1, 1992, must contain the exact wording of the form set forth in Section 4771 or former Civil Code Section 2500, including the warning and instructions, and nothing else.

See also Section 4621 (“statutory form durable power of attorney for health care” defined).

§ 4776. Language conferring general authority

4776. In a statutory form durable power of attorney for health care, the language conferring general authority with respect to “health care decisions” authorizes the attorney-in-fact to select and discharge physicians, dentists, nurses, therapists, and other health care professionals as the attorney-in-fact determines necessary to carry out the health care decisions the attorney-in-fact is authorized by the power of attorney to make.

Comment. Section 4776 continues former Civil Code Section 2504 without change. See also Sections 4014 (“attorney-in-fact” defined), 4612 (“health care decision” defined), 4621 (“statutory form durable power of attorney for health care” defined).

§ 4777. Effect of documents executed by attorney-in-fact

4777. If a document described in paragraph 5 or 6 of the form set forth in Section 4771 is executed on behalf of the principal by the attorney-in-fact in the exercise of authority granted to the attorney-in-fact by paragraph 5 or 6 of the form set forth in Section 4771, the document has the same effect as if the principal had executed the document at the same time

and under the same circumstances and had the capacity to execute the document at that time.

Comment. Section 4777 continues former Civil Code Section 2505 without substantive change. See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined).

§ 4778. Termination of authority; alternate attorney-in-fact

4778. If the authority of the attorney-in-fact under the statutory form durable power of attorney for health care is terminated by the court under Part 5 (commencing with Section 4900), an alternate attorney-in-fact designated in the statutory form durable power of attorney for health care is not authorized to act as the attorney-in-fact unless the court so orders. In the order terminating the authority of the attorney-in-fact to make health care decisions for the principal, the court shall authorize the alternate attorney-in-fact, if any, designated in the statutory form durable power of attorney for health care to act as the attorney-in-fact to make health care decisions for the principal under the durable power of attorney for health care unless the court finds that authorizing that alternate attorney-in-fact to make health care decisions for the principal would not be in the best interests of the principal.

Comment. Section 4778 continues former Civil Code Section 2506 without substantive change. This section applies only where the authority of the attorney-in-fact in fact is terminated by the court. This section does not apply where the attorney-in-fact dies or otherwise is not available or becomes ineligible to act as attorney-in-fact or loses the mental capacity to make health care decisions for the principal or where the principal revokes the attorney-in-fact’s appointment or authority. See paragraph 9 (designation of alternate attorneys-in-fact) of statutory form set forth in Section 4771. Where the court terminates the authority of the attorney-in-fact, Section 4778 applies and the alternate attorney-in-fact is not authorized to act as attorney-in-fact unless the court so orders. However, in this case, the court is required to authorize the alternate attorney-in-fact to act unless the court finds that would not be in the best interests of the principal.

See also Sections 4014 (“attorney-in-fact” defined), 4026 (“principal” defined), 4612 (“health care decision” defined), 4621 (“statutory form durable power of attorney for health care” defined).

§ 4779. Use of other forms

4779. Nothing in this chapter affects or limits the use of any other form for a durable power of attorney for health care. Any form complying with the requirements of Chapter 1 (commencing with Section 4600) may be used in lieu of the form provided by Section 4771, and none of the provisions of this chapter apply if the other form is used.

Comment. Section 4779 continues former Civil Code Section 2507 without substantive change. This section makes clear that a person may use a durable power of attorney for health care that is not a statutory form durable power of attorney for health care under this chapter. The other durable power of attorney for health care — whether a printed form or a specially drafted document — must, of course, comply with the requirements of Sections 4600-4752 and is subject to the provisions of those sections.

PART 5. JUDICIAL PROCEEDINGS
CONCERNING POWERS OF ATTORNEY

CHAPTER 1. GENERAL PROVISIONS

§ 4900. Power of attorney freely exercisable

4900. A power of attorney is exercisable free of judicial intervention, subject to this part.

Comment. Section 4900 continues former Civil Code Section 2423 without substantive change. The language of this section has been recast to provide a rule, rather than an expression of legislative intent. See also Section 4022 (“power of attorney” defined).

§ 4901. Cumulative remedies

4901. The remedies provided in this part are cumulative and not exclusive of any other remedies provided by law.

Comment. Section 4901 continues former Civil Code Section 2420(a) without substantive change.

§ 4902. Effect of provision in power of attorney attempting to limit right to petition

4902. Except as provided in Section 4903, this part is not subject to limitation in the power of attorney.

Comment. Section 4902 continues former Civil Code Section 2422 without substantive change. See also Sections 4022 (“power of attorney” defined), 4101(b) (general rule on limitations provided in power of attorney).

§ 4903. Limitations on right to petition

4903. (a) Subject to subdivision (b), a power of attorney may expressly eliminate the authority of a person listed in Section 4940 to petition the court for any one or more of the purposes enumerated in Section 4941 or 4942 if both of the following requirements are satisfied:

(1) The power of attorney is executed by the principal at a time when the principal has the advice of a lawyer authorized to practice law in the state where the power of attorney is executed.

(2) The principal's lawyer signs a certificate stating in substance:

"I am a lawyer authorized to practice law in the state where this power of attorney was executed, and the principal was my client at the time this power of attorney was executed. I have advised my client concerning his or her rights in connection with this power of attorney and the applicable law and the consequences of signing or not signing this power of attorney, and my client, after being so advised, has executed this power of attorney."

(b) A power of attorney may not limit the authority of the following persons to petition under this part:

(1) The attorney-in-fact, the principal, the conservator of the estate of the principal, or the public guardian, with respect to a petition for a purpose in Section 4941.

(2) The conservator of the person of the principal, with respect to a petition relating to a durable power of attorney for health care for a purpose in subdivisions (a), (c), or (d) of Section 4942.

(3) The attorney-in-fact, with respect to a petition relating to a durable power of attorney for health care for a purpose in subdivision (a) or (b) of Section 4942.

Comment. Subdivision (a) of Section 4903 continues former Civil Code Section 2421(a) without substantive change. This subdivision makes clear that a power of attorney may limit the applicability of this part only if it is executed with the advice and approval of the principal's counsel. This limitation is designed to ensure that the execution of a power of attorney that restricts the remedies of this part is accomplished knowingly by the principal. The inclusion of a provision in the power of attorney making this part inapplicable does not affect the right to resort to any judicial remedies that may otherwise be available.

Subdivision (b) restates former Civil Code Section 2421(b), (c), and (d) without substantive change, except as explained below. The former reference to Civil Code Section 2420 is omitted as surplus, since the substance of the former cross-reference is continued elsewhere. See Section 4050(b)(2) (exclusion of reciprocal or interinsurance exchanges), 4901 (cumulative remedies).

Subdivision (b)(1) continues without substantive change, the provision in former Civil Code Section 2421(b) concerning a conservator's right to petition under Section 4941 (non-health care power of attorney), notwithstanding a limitation in the instrument. This authority is extended by subdivision (b)(1) to the attorney-in-fact, principal, and public guardian. See Section 4940(a) (attorney-in-fact), (b) (principal), (e) (conservator), & (g) (public guardian).

Subdivision (b)(2)-(3) restates former Civil Code Section 2421(c)-(d) without substantive change. These paragraphs specify the purposes for which a conservator of the person or an attorney-in-fact may petition the court under this part with respect to a durable power of attorney for health care. The rights provided in these paragraphs cannot be limited by a provision in the power of attorney, but the power of attorney may restrict or eliminate the right of any other persons to petition the court under this part if the principal has the advice of legal counsel and the other requirements of subdivision (a) are met. See Section 4902 (effect of provision in power of attorney attempting to limit right to petition).

Under subdivision (b)(2), the conservator of the person may obtain a determination of whether the durable power of attorney for health care is in effect or has terminated, despite a contrary provision in the power of attorney. See Section 4942(a). The conservator of the person may obtain a court order requiring the attorney-in-fact to report the attorney-in-fact's acts under the durable power of attorney for health care if the attorney-in-fact fails to submit such a report within 10 days after a written request. See Section 4942(c). The conservator of the person may obtain a court determination that the durable power of attorney for health care is terminated if the court finds that the attorney-in-fact is acting illegally or is not performing the duty under the durable power of attorney for health care to act consistently with the desires of the principal or, where the principal's desires are unknown or unclear, is acting in a manner that is clearly contrary to the best interests of the principal. See Section 4942(d). See also Section 4942 Comment.

Under subdivision (b)(3), the attorney-in-fact may obtain a determination of whether the durable power of attorney for health care is in effect or has terminated, despite a contrary provision in the power of attorney. See Section 4942(a). The attorney-in-fact may also obtain a

court order passing on the acts or proposed acts of the attorney-in-fact under the durable power of attorney for health care. See Section 4942(b).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined), 4606 (“durable power of attorney for health care” defined).

§ 4904. Jury trial

4904. There is no right to a jury trial in proceedings under this division.

Comment. Section 4904 is a new provision. This section is consistent with the rule applicable to other fiduciaries. See Prob. Code §§ 1452 (guardianships and conservatorships), 7200 (decedents’ estates), 17006 (trusts).

§ 4905. Application of general procedural rules

4905. Except as otherwise provided in this division, the general provisions in Division 3 (commencing with Section 1000) apply to proceedings under this division.

Comment. Section 4905 provides a cross reference to the general procedural rules that apply to this division. See, e.g., Sections 1003 (guardian ad litem) (superseding former Civil Code Section 2418), 1021 (verification required) (superseding part of former Civil Code Section 2415), 1041 (clerk to set matters for hearing) (superseding former Civil Code Section 2417(a)), 1046 (hearing and orders) (superseding former Civil Code Section 2413), 1203 (order shortening time for notice) (superseding former Civil Code Section 2417(f)), 1215-1216 (service) (superseding former Civil Code Section 2417(c)), 1260 (proof of service) (superseding former Civil Code Section 2417(d)).

CHAPTER 2. JURISDICTION AND VENUE

§ 4920. Jurisdiction and authority of court or judge

4920. (a) The superior court has jurisdiction in proceedings under this division.

(b) The court in proceedings under this division is a court of general jurisdiction and the court, or a judge of the court, has the same power and authority with respect to the proceedings as otherwise provided by law for a superior court, or a judge

of the superior court, including, but not limited to, the matters authorized by Section 128 of the Code of Civil Procedure.

Comment. Section 4920 is comparable to Section 7050 governing the jurisdiction and authority of the court in proceedings concerning administration of decedents' estates. See Section 7050 Comment. This section is consistent with prior law. See former Civ. Code §§ 2415 (petition filed in superior court), 2417(e) (proceedings governed by decedents' estates provisions where no specific rule in power of attorney statute).

§ 4921. Basis of jurisdiction

4921. The court may exercise jurisdiction in proceedings under this division on any basis permitted by Section 410.10 of the Code of Civil Procedure.

Comment. Section 4921 is comparable to Section 17004 (jurisdiction under Trust Law). This section recognizes that the court, in proceedings relating to powers of attorney under this division, may exercise jurisdiction on any basis that is not inconsistent with the California or United States Constitutions, as provided in Code of Civil Procedure Section 410.10. See generally Judicial Council Comment to Code Civ. Proc. § 410.10; Section 17004 Comment (basis of jurisdiction under Trust Law).

§ 4922. Jurisdiction over attorney-in-fact

4922. Without limiting Section 4921, a person who acts as an attorney-in-fact under a power of attorney governed by this division is subject to personal jurisdiction in this state with respect to matters relating to acts and transactions of the attorney-in-fact performed in this state or affecting property or a principal in this state.

Comment. Section 4922 is new. It is comparable to Sections 3902(b) (jurisdiction over custodian under Uniform Transfers to Minors Act) and 17003(a) (jurisdiction over trustee). This section is intended to facilitate exercise of the court's power under this part when the court's jurisdiction is properly invoked. As recognized by the introductory clause, constitutional limitations on assertion of jurisdiction apply to the exercise of jurisdiction under this section. Consequently, appropriate notice must be given to an attorney-in-fact as a condition of personal jurisdiction. *Cf.* *Mullane v. Central Hanover Bank & Trust Co.*, 339 U.S. 306 (1950).

See also Sections 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined), 4026 (“principal” defined).

§ 4923. Venue

4923. The proper county for commencement of a proceeding under this division shall be determined in the following order of priority:

- (a) The county in which the principal resides.
- (b) The county in which the attorney-in-fact resides.
- (c) A county in which property subject to the power of attorney is located.
- (d) Any other county that is in the principal’s best interest.

Comment. Section 4923 supersedes former Civil Code Section 2414. This section is drawn from the rules applicable to guardianships and conservatorships. See Sections 2201-2202. See also Section 4053 (durable powers of attorney under law of another jurisdiction).

CHAPTER 3. PETITIONS, ORDERS, APPEALS

§ 4940. Petitioners

4940. Subject to Section 4903, a petition may be filed under this part by any of the following persons:

- (a) The attorney-in-fact.
- (b) The principal.
- (c) The spouse of the principal.
- (d) A relative of the principal.
- (e) The conservator of the person or estate of the principal.
- (f) The court investigator, described in Section 1454, of the county where the power of attorney was executed or where the principal resides.
- (g) The public guardian of the county where the power of attorney was executed or where the principal resides.
- (h) A treating health care provider, with respect to a durable power of attorney for health care.
- (i) The personal representative or trustee of the principal’s estate.

(j) The principal's successor in interest.

(k) A person who is requested in writing by an attorney-in-fact to take action.

(l) Any other interested person or friend of the principal.

Comment. Section 4940 continues former Civil Code Section 2411 without substantive change, and expands the class of petitioners to include relatives (subdivision (d)), third persons who are requested to honor the power of attorney (subdivision (k)), and any other interested persons or friends of the principal (subdivision (l)). These additions are drawn from the comparable rules governing petitioners for appointment of a conservator under Section 1820. The purposes for which a person may file a petition under this part are limited by other rules. See Sections 4902 (effect of provision in power of attorney attempting to limit right to petition), 4903 (limitations on right to petition), 4942 (petition with respect to durable power of attorney for health care); see also Section 4901 (other remedies not affected).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined), 4606 ("durable power of attorney for health care" defined), 4612 ("health care provider" defined).

§ 4941. Petition as to powers of attorney other than durable power of attorney for health care

4941. With respect to a power of attorney other than a durable power of attorney for health care, a petition may be filed under this part for any one or more of the following purposes:

(a) Determining whether the power of attorney is in effect or has terminated.

(b) Passing on the acts or proposed acts of the attorney-in-fact, including approval of authority to disobey the principal's instructions pursuant to subdivision (b) of Section 4234.

(c) Compelling the attorney-in-fact to submit the attorney-in-fact's accounts or report the attorney-in-fact's acts as attorney-in-fact to the principal, the spouse of the principal, the conservator of the person or the estate of the principal, or to any other person required by the court in its discretion, if the attorney-in-fact has failed to submit an accounting or

report within 60 days after written request from the person filing the petition.

(d) Declaring that the authority of the attorney-in-fact is revoked on a determination by the court of all of the following:

(1) The attorney-in-fact has violated or is unfit to perform the fiduciary duties under the power of attorney.

(2) At the time of the determination by the court, the principal lacks the capacity to give or to revoke a power of attorney.

(3) The revocation of the attorney-in-fact's authority is in the best interest of the principal or the principal's estate.

(e) Approving the resignation of the attorney-in-fact:

(1) If the attorney-in-fact is subject to a duty to act under Section 4230, the court may approve the resignation, subject to any orders the court determines are necessary to protect the principal's interests.

(2) If the attorney-in-fact is not subject to a duty to act under Section 4230, the court shall approve the resignation, subject to the court's discretion to require the attorney-in-fact to give notice to other interested persons.

(f) Compelling a third person to honor the authority of an attorney-in-fact.

Comment. Section 4941 continues former Civil Code Section 2412 without substantive change, except as noted below.

The introductory clause limits the application of this section to non-health care powers of attorney. This section applies to petitions concerning both durable and nondurable powers of attorney. See Sections 4022 ("power of attorney" defined), 4050 (scope of division). Section 4942 applies to petitions with respect to durable powers of attorney for health care.

Subdivision (a) makes clear that a petition may be filed to determine whether the power of attorney was ever effective, thus permitting, for example, a determination that the power of attorney was invalid when executed because its execution was induced by fraud. See also Section 4201 (unqualified attorney-in-fact).

The authority to petition to disobey the principal's instructions in subdivision (b) is new. This is a limitation on the general agency rule in Civil Code Section 2320. See Section 4234 & Comment.

Subdivision (d) requires a court determination that the principal has become incapacitated before the court is authorized to declare the power of attorney terminated because the attorney-in-fact has violated or is unfit to perform the fiduciary duties under the power of attorney.

Subdivision (e) is a new procedure for accepting the attorney-in-fact's resignation. The court's discretion in this type of case depends on whether the attorney-in-fact is subject to any duty to act under Section 4230, as in the situation where the attorney-in-fact has agreed in writing to act or is involved in an ongoing transaction. Under subdivision (e)(1) the court may make any necessary protective order. Under subdivision (e)(2), the court's discretion is limited to requiring that notice be given to others who may be expected to look out for the principal's interests, such as a public guardian or a relative. In addition, the attorney-in-fact is required to comply with the statutory duties on termination of authority. See Section 4238.

Subdivision (f) provides a remedy to achieve compliance with the power of attorney through recognition of the attorney-in-fact's authority. This remedy is also available to compel disclosure of information under Section 4235 (consultation and disclosure). The former limitation of the provision in subdivision (f) to statutory form powers of attorney has been eliminated. See Sections 4300-4308 (relations with third persons).

A power of attorney may limit the authority to petition under this part. See Sections 4902 (effect of provision in power of attorney attempting to limit right to petition), 4903 (limitations on right to petition).

See also Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4942. Petition as to durable power of attorney for health care

4942. With respect to a durable power of attorney for health care, a petition may be filed under this part for any one or more of the following purposes:

(a) Determining whether the durable power of attorney for health care is in effect or has terminated.

(b) Determining whether the acts or proposed acts of the attorney-in-fact are consistent with the desires of the principal as expressed in the durable power of attorney for health care or otherwise made known to the court or, where the desires of

the principal are unknown or unclear, whether the acts or proposed acts of the attorney-in-fact are in the best interests of the principal.

(c) Compelling the attorney-in-fact to report the attorney-in-fact's acts as attorney-in-fact to the principal, the spouse of the principal, the conservator of the person of the principal, or to any other person required by the court in its discretion, if the attorney-in-fact has failed to submit the report within 10 days after written request from the person filing the petition.

(d) Declaring that the durable power of attorney for health care is terminated upon a determination by the court that the attorney-in-fact has made a health care decision for the principal that authorized anything illegal or upon a determination by the court of both of the following:

(1) The attorney-in-fact has violated, has failed to perform, or is unfit to perform, the duty under the durable power of attorney for health care to act consistent with the desires of the principal or, where the desires of the principal are unknown or unclear, is acting (by action or inaction) in a manner that is clearly contrary to the best interests of the principal.

(2) At the time of the determination by the court, the principal lacks the capacity to execute or to revoke a durable power of attorney for health care.

(e) Approving the resignation of the attorney-in-fact:

(1) If the attorney-in-fact is subject to a duty to act under Section 4230, the court may approve the resignation, subject to any orders the court determines are necessary to protect the principal's interests.

(2) If the attorney-in-fact is not subject to a duty to act under Section 4230, the court shall approve the resignation, subject to the court's discretion to require the attorney-in-fact to give notice to other interested persons.

Comment. Section 4942 continues former Civil Code Section 2412.5 without substantive change, except as noted below. This section

enumerates the purposes for which a petition may be filed under this part with respect to a durable power of attorney for health care. Section 4941 applies to petitions with respect to other powers of attorney.

Under subdivision (b), the desires of the principal as expressed in the durable power of attorney for health care or otherwise made known to the court provide the standard for judging the acts of the attorney-in-fact. Subdivision (d) permits the court to terminate the durable power of attorney for health care where the attorney-in-fact is not complying with the duty to carry out the desires of the principal. These subdivisions adopt a standard based on the principal's desires in place of a general standard of what may constitute the best interests of the principal. An attempted suicide by the principal is not to be construed to indicate the principal's desire that health care be restricted or inhibited. See Section 4723 (unauthorized acts and omissions).

Where it is not possible to use a standard based on the principal's desires because those desires are not stated in the power of attorney or otherwise known or are unclear, subdivision (b) provides that the "best interests of the principal" standard be used.

Subdivision (d) permits termination of the durable power of attorney for health care not only where the attorney-in-fact, for example, is acting illegally or failing to perform his or her duties under the power of attorney or is acting contrary to the known desires of the principal but also where the desires of the principal are unknown or unclear and the attorney-in-fact is acting in a manner that is clearly contrary to the best interests of the principal. The desires of the principal may become unclear as a result of the developments in medical treatment techniques that have occurred since the desires were expressed by the principal, such developments having changed the nature or consequences of the treatment.

Subdivision (e) is new. See Section 4941(e) Comment.

A durable power of attorney for health care may limit the authority to petition under this part. See Sections 4902 (effect of provision in power of attorney attempting to limit right to petition), 4903 (limitations on right to petition).

See also Sections 4014 ("attorney-in-fact" defined), 4606 ("durable power of attorney for health care" defined), 4612 ("health care decision" defined), 4026 ("principal" defined).

§ 4943. Commencement of proceeding

4943. A proceeding under this part is commenced by filing a petition stating facts showing that the petition is authorized

under this part, the grounds of the petition, and, if known to the petitioner, the terms of the power of attorney.

Comment. Section 4943 restates parts of former Civil Code Section 2415 without substantive change. The former reference to filing in the superior court is restated in a different form in Section 4920. The language concerning the grounds of the petition is new and is drawn from Section 17201 (commencement of proceeding under Trust Law). A petition is required to be verified. See Section 1021.

See also Section 4022 (“power of attorney” defined).

§ 4944. Dismissal of petition

4944. The court may dismiss a petition if it appears that the proceeding is not reasonably necessary for the protection of the interests of the principal or the principal’s estate and shall stay or dismiss the proceeding in whole or in part when required by Section 410.30 of the Code of Civil Procedure.

Comment. Section 4944 restates former Civil Code Section 2416 without substantive change. The dismissal standard has been revised to permit dismissal when the proceeding is not “reasonably necessary,” rather than “necessary” as under the former statute. Under this section, the court has authority to stay or dismiss a proceeding in this state if, in the interest of substantial justice, the proceeding should be heard in a forum outside this state. See Code Civ. Proc. § 410.30.

See also Section 4026 (“principal” defined).

§ 4945. Notice of hearing

4945. (a) Subject to subdivision (b), at least 15 days before the time set for hearing, the petitioner shall serve notice of the time and place of the hearing, together with a copy of the petition, on the following:

- (1) The attorney-in-fact if not the petitioner.
- (2) The principal if not the petitioner.

(b) In the case of a petition to compel a third person to honor the authority of an attorney-in-fact, notice of the time and place of the hearing, together with a copy of the petition, shall be served on the third person in the manner provided in

Chapter 4 (commencing with Section 413.10) of Title 5 of Part 2 of the Code of Civil Procedure.

Comment. Subdivision (a) of Section 4945, pertaining to internal affairs of the power of attorney, continues former Civil Code Section 2417(b) without substantive change, except that the notice period is changed to 15 days for consistency with conservatorship proceedings. See Section 1460.

Subdivision (b) provides a special rule applicable to service of notice in proceedings involving third persons, i.e., not internal affairs of the power of attorney. See Section 4941(f) (petition to compel third person to honor attorney-in-fact's authority).

See also Sections 4014 ("attorney-in-fact" defined), 4026 ("principal" defined).

§ 4946. Temporary health care order

4946. With respect to a durable power of attorney for health care, the court in its discretion, upon a showing of good cause, may issue a temporary order prescribing the health care of the principal until the disposition of the petition filed under Section 4942. If a durable power of attorney for health care is in effect and a conservator (including a temporary conservator) of the person is appointed for the principal, the court that appoints the conservator in its discretion, upon a showing of good cause, may issue a temporary order prescribing the health care of the principal, that order to continue in effect for such time as is ordered by the court but in no case longer than the time necessary to permit the filing and determination of a petition filed under Section 4942.

Comment. Section 4946 continues former Civil Code Section 2417(h) without substantive change. This section is intended to make clear that the court has authority to provide, for example, for the continuance of treatment necessary to keep the principal alive pending the court's action on the petition. See also Section 1046 (court authority to make appropriate orders).

See also Sections 4606 ("durable power of attorney for health care" defined), 4609 ("health care" defined), 4026 ("principal" defined).

§ 4947. Award of attorney's fees

4947. In a proceeding under this part commenced by the filing of a petition by a person other than the attorney-in-fact, the court may in its discretion award reasonable attorney's fees to one of the following:

(a) The attorney-in-fact, if the court determines that the proceeding was commenced without any reasonable cause.

(b) The person commencing the proceeding, if the court determines that the attorney-in-fact has clearly violated the fiduciary duties under the power of attorney or has failed without any reasonable cause or justification to submit accounts or report acts to the principal or conservator of the estate or of the person, as the case may be, after written request from the principal or conservator.

Comment. Section 4947 continues former Civil Code Section 2417(g) without substantive change. See Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), 4026 ("principal" defined).

§ 4948. Appeal

4948. An appeal may be taken from any of the following:

(a) Any final order made pursuant to Section 4941, except an order pursuant to subdivision (c) of Section 4941.

(b) Any final order made pursuant to Section 4942, except an order pursuant to subdivision (c) of Section 4942.

(c) An order dismissing the petition or denying a motion to dismiss under Section 4944.

Comment. Section 4948 continues former Civil Code Section 2419 without substantive change. The language of the section has been recast to note the exception to the right to appeal, rather than listing the appealable orders under Sections 4941 and 4942. This has the effect of continuing the former rule that all orders are appealable except orders requiring the attorney-in-fact to account. This also remedies an omission that occurred when the authority to petition to compel a third person to honor the attorney-in-facts authority under a statutory form power of attorney was added to former Civil Code Section 2412. See 1992 Cal. Stat. ch. 178, § 3. The reference to "decree" in former Civil Code Section 2419(a) is omitted as unnecessary.

CONFORMING REVISIONS AND REPEALS

CIVIL CODE

Civ. Code § 2355 (amended). Means of termination of agency

SEC. _____. Section 2355 of the Civil Code is amended to read:

2355. An agency is terminated, as to every person having notice thereof, by any of the following:

- (a) The expiration of its term.
- (b) The extinction of its subject.
- (c) The death of the agent.
- (d) The agent's renunciation of the agency.
- (e) The incapacity of the agent to act as such.

~~(f) The divorce, dissolution, annulment, or adjudication of the nullity of marriage of, or the judicial or legal separation of, principal and attorney in fact, or commencement by the attorney in fact of an action for such relief, in the case of a power of attorney, if the attorney in fact was the spouse of the principal, and the principal has become an absentee as defined in Section 1403 of the Probate Code, unless the power of attorney expressly provides otherwise in writing.~~

Comment. Section 2355 is amended to delete subdivision (f) relating to the effect of divorce, dissolution, annulment, or separation of principal and agent under a power of attorney, or commencement of an action for these purposes by the agent, in cases involving "absentees." This provision is restated in Probate Code Sections 3722 (effect of legal separation or petition for dissolution, nullity, or legal separation in case of federal absentee) and 4154 (effect of dissolution or nullity). The rules concerning powers of attorney are provided in Probate Code Section 4000 *et seq.* See also Sections 4022 ("power of attorney" defined), 4050 (types of powers of attorney governed by Probate Code), 4051 (relation to general agency law), 4152 (termination of attorney-in-fact's authority), 4155 (termination of authority under nondurable power of attorney).

Civ. Code § 2356 (amended). Termination of agency not coupled with interest; proxy

SEC. _____. Section 2356 of the Civil Code is amended to read:

2356. (a) Unless the power of an agent is coupled with an interest in the subject of the agency, it is terminated by any of the following:

- (1) Its revocation by the principal.
- (2) The death of the principal.
- (3) The incapacity of the principal to contract.

(b) Notwithstanding subdivision (a), any bona fide transaction entered into with such agent by any person acting without actual knowledge of such revocation, death, or incapacity shall be binding upon the principal, his or her heirs, devisees, legatees, and other successors in interest.

(c) Nothing in this section shall affect the provisions of Section 1216.

~~(d) With respect to a power of attorney, the provisions of this section are subject to the provisions of Articles 3 (commencing with Section 2400) and 5 (commencing with Section 2430) of Chapter 2.~~

(e) With respect to a proxy given by a person to another person relating to the exercise of voting rights, to the extent the provisions of this section conflict with or contravene any other provisions of the statutes of California pertaining to the proxy, the latter provisions shall prevail.

Comment. Subdivision (d) of Section 2356, concerning powers of attorney, is deleted. The rules concerning powers of attorney are provided in Probate Code Section 4000 *et seq.* See also Prob. Code §§ 4022 (“power of attorney” defined), 4050(b)(1) (power coupled with an interest), 4051 (relation to general agency law), 4152 (termination of attorney-in-fact’s authority), 4155 (termination of authority under nondurable power of attorney), 4304 (effect of death or incapacity of principal).

Civ. Code § 2357 (amended). Principal who is “absentee”

SEC. _____. Section 2357 of the Civil Code is amended to read:

2357. For the purposes of subdivision (b) of Section 2356 and ~~Sections 2403 and 2404~~, in the case of a principal who is an absentee as defined in Section 1403 of the Probate Code, a person shall be deemed to be without actual knowledge of:

(a) The principal’s death or incapacity while the absentee continues in missing status and until the person receives notice of the determination of the death of the absentee by the secretary concerned or the head of the department or agency concerned or the delegate of the secretary or head.

(b) Revocation by the principal during the period described in subdivision (a).

Comment. The references to former Sections 2403 and 2404 (durable powers of attorney) are deleted from Section 2357. The rules concerning powers of attorney are provided in Probate Code Section 4000 *et seq.* See also Prob. Code §§ 4022 (“power of attorney” defined), 4051 (relation to general agency law). For a similar provision drawn from Section 2357, see Prob. Code § 3721 (knowledge where principal is “absentee”).

Civ. Code §§ 2400-2407 (repealed). Uniform Durable Power of Attorney Act

SEC. _____. Article 3 (commencing with Section 2400) of Chapter 2 of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

§ 2400. Durable power of attorney

Comment. Former Section 2400 is restated without substantive change in Probate Code Section 4124 (requirements for durable power of attorney). See Prob. Code § 4124 Comment.

§ 2400.5. Proxy given by agent to exercise voting rights

Comment. Former Section 2400.5 is continued without substantive change in Probate Code Section 4050(b)(3) (proxy excluded from definition of power of attorney). See Prob. Code § 4050 Comment.

§ 2401. Effect of principal's incapacity

Comment. Former Section 2401 is continued without substantive change in Probate Code Section 4125 (effect on attorney-in-fact's actions under durable power of attorney during principal's incapacity). See Prob. Code § 4125 Comment.

§ 2402. Relation of agent to court-appointed fiduciary

Comment. Subdivision (a) of former Civil Code Section 2402 is continued without substantive change in Probate Code Section 4206 (relation of agent to court-appointed fiduciary). See Prob. Code § 4206 Comment.

Subdivision (b) is continued without substantive change in Probate Code Section 4126 (nomination of conservator in durable power of attorney). See Prob. Code § 4126 Comment.

§ 2403. Death or incapacity of principal

Comment. Former Section 2403 is continued without substantive change in Probate Code Section 4304 (effect of death or incapacity of principal). See Prob. Code § 4304 Comment.

§ 2404. Affidavit of lack of knowledge of termination of power

Comment. Former Section 2404 is continued without substantive change in Probate Code Section 4305 (affidavit of lack of knowledge of termination of power). See Prob. Code § 4305 Comment.

§ 2405. Construction and application

Comment. Former Section 2405 is generalized in Probate Code Section 2(b). See Prob. Code § 2 Comment.

§ 2406. Short title

Comment. Former Section 2406 is restated without substantive change in Probate Code Section 4001 (Uniform Durable Power of Attorney Act). See Prob. Code § 4001 Comment.

§ 2407. Severability

Comment. Former Section 2407 is generalized in Probate Code Section 11.

Civ. Code § 2400 (added). Powers of attorney under Probate Code

SEC. _____. Article 3 (commencing with Section 2400) is added to Chapter 2 of Title 9 of Part 4 of Division 3 of the Civil Code, to read:

Article 3. Powers of Attorney Under Probate Code**§ 2400. Powers of attorney governed by Power of Attorney Law in Probate Code**

2400. Powers of attorney are governed by the Power of Attorney Law (Division 4.5 (commencing with Section 4000) of the Probate Code) to the extent provided in that law.

Comment. Section 2400 provides a cross-reference to the Power of Attorney Law in the Probate Code which supersedes the various power of attorney statutes formerly located at Civil Code Section 2400 *et seq.* See Prob. Code §§ 4022 (“power of attorney” defined), 4050 (types of powers of attorney governed by Power of Attorney Law).

Civ. Code §§ 2410-2423 (repealed). Court enforcement of duties of attorney-in-fact

SEC. _____. Article 4 (commencing with Section 2410) of Chapter 2 of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

§ 2410. Definitions

Comment. Subdivision (a) of former Civil Code Section 2410 is superseded by Probate Code Section 4014 (“attorney-in-fact” defined). See Prob. Code § 4014 Comment.

Subdivision (b) is continued without substantive change in Probate Code Section 4606 (“durable power of attorney for health care” defined). See Prob. Code § 4606 Comment.

The first sentence of subdivision (c) is restated without substantive change in Probate Code Section 4022(a) (“power of attorney” defined). The second sentence of subdivision (c) is superseded by Probate Code Section 4022(b) (exclusions from “power of attorney”). See Prob. Code § 4022 Comment.

Subdivision (d) is restated without substantive change in Probate Code Section 4026 (“principal” defined). See Prob. Code § 4026 Comment.

§ 2411. Petitioners

Comment. Former Section 2411 is continued without substantive change in Probate Code Section 4940 (petitioners). See Prob. Code § 4940 Comment.

§ 2412. Relief available

Comment. Former Section 2412 is continued without substantive change in Probate Code Section 4941 (petition as to non-health care power of attorney). See Prob. Code § 4941 Comment.

§ 2412.5. Petition as to durable power of attorney for health care

Comment. Former Section 2412.5 is continued without substantive change in Probate Code Section 4942 (petition as to durable power of attorney for health care). See Prob. Code § 4942 Comment.

§ 2413. Power of court

Comment. Former Section 2413 is superseded by Probate Code Section 1046 (court authority to make appropriate orders).

§ 2414. Venue

Comment. Former Section 2414 is superseded by Probate Code Section 4923 (venue). See Prob. Code § 4923 Comment.

§ 2415. Verified petition; contents

Comment. Former Section 2415 is restated without substantive change in Probate Code Sections 1021 (petition to be verified), 4920(a) (jurisdiction in superior court), and 4943 (commencement of proceeding). See Prob. Code § 4943 Comment.

§ 2416. Dismissal of petition

Comment. Former Section 2416 is restated without substantive change in Probate Code Section 4944 (dismissal of petition). See Prob. Code § 4944 Comment.

§ 2417. Hearing

Comment. Subdivision (a) of former Civil Code Section 2417 is superseded by Probate Code Section 1041 (clerk to set matter for hearing).

Subdivision (b) is restated without substantive change in Probate Code Sections 1202 4945 (notice of hearing). See Prob. Code § 4945 Comment.

Subdivision (c) is superseded by Probate Code Sections 1215-1216 (service of notice).

Subdivision (d) is superseded by Probate Code Section 1260 (proof of service).

Subdivision (e) is omitted as unnecessary. See Prob. Code § 1000 (general rules of practice under Probate Code).

Subdivision (f) is restated without substantive change in Probate Code Section 1203 (order shortening time).

Subdivision (g) is continued without substantive change in Probate Code Section 4947 (award of attorney's fees). See Prob. Code § 4947 Comment.

Subdivision (h) is continued without substantive change in Probate Code Section 4946 (temporary health care order). See Prob. Code § 4946 Comment.

§ 2418. Guardian ad litem

Comment. Former Section 2418 is superseded by Probate Code Section 1003 (appointment of guardian ad litem).

§ 2419. Appeal

Comment. Former Section 2419 is continued without substantive change in Probate Code Section 4948 (appeal). See Prob. Code § 4948 Comment.

§ 2420. Cumulative remedies

Comment. Subdivision (a) of former Civil Code Section 2420 is continued without substantive change in Probate Code Section 4901 (cumulative remedies).

Subdivision (b) is continued without substantive change in Probate Code Section 4050(b)(2) (application of division).

§ 2421. Limitation by provision in power of attorney

Comment. Subdivision (a) of former Civil Code Section 2421 is continued without substantive change in Probate Code Section 4903(a) (effect of provision in power of attorney attempting to limit right to petition). See Prob. Code § 4903 Comment.

Subdivision (b) is continued and broadened in Probate Code Section 4903(b)(1) (right to petition under non-health care power of attorney). The cross-reference to subdivision (c) is omitted as unnecessary.

Subdivisions (c) and (d) are restated without substantive change in Probate Code Section 4903(b)(2)-(3) (right to petition under durable power of attorney for health care). See Prob. Code § 4903 Comment.

§ 2422. Application of article

Comment. Former Section 2422 is restated without substantive change in Probate Code Section 4902 (effect of provision in power attempting to make division inapplicable). See Prob. Code § 4902 Comment. The effect of the reference to former Section 2420 is continued in Probate Code Sections 4050(b)(2) (reciprocal or interinsurance exchanges) and 4901 (cumulative remedies).

§ 2423. Legislative intent

Comment. Former Section 2423 is continued without substantive change in Probate Code Section 4900 (power of attorney freely exercisable). See Prob. Code § 4900 Comment.

Civ. Code §§ 2430-2445 (repealed). Durable power of attorney for health care

SEC. _____. Article 5 (commencing with Section 2430) of Chapter 2 of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

§ 2430. Definitions

Comment. Former Section 2430 is continued without substantive change in Sections 56 (“person” defined), 4603 (“community care facility” defined), 4606 (“durable power of attorney for health care” defined), 4609 (“health care” defined), 4612 (“health care decision” defined), 4615 (“health care provider” defined), and 4618 (“residential care facility for the elderly” defined).

§ 2431. Application of article

Comment. Former Section 2431 is continued in Probate Code Section 4650 without substantive change. The intent of subdivision (b) — excusing pre-1984 powers from the witnessing or acknowledgment requirement — is restored in the new law. The reference to Section 2432(a)(2) in the law as enacted in 1983 was corrupted when subdivision (a)(2) was split in 1985.

§ 2432. Requirements for durable power of attorney for health care

Comment. The introductory clause and paragraph (1) of subdivision (a) of former Section 2432 are continued without substantive change in Probate Code Section 4700(a). The dating requirement of subdivision (a)(2) is continued without substantive change in Probate Code Section 4121(a). The witnessing requirements of subdivision (a)(3) are continued

without substantive change and generalized in Probate Code Sections 4121(c) and 4122, with the exception of the last sentence of subdivision (a)(3)(A) which is not continued. See also Prob. Code § 4700(b) (general execution requirements made explicitly applicable).

Subdivision (b) is continued without substantive change in Probate Code Section 4702(a) and (c).

Subdivision (c) is continued without substantive change in Probate Code Section 4702(d).

Subdivision (d) is continued without substantive change in Probate Code Section 4701(a).

Subdivision (e) is continued without substantive change in Probate Code Section 4122(d).

Subdivision (f) is continued without substantive change in Probate Code Section 4701(c).

§ 2432.5. Employee of health care provider, community care facility, or residential care facility

Comment. Former Section 2432.5 is continued in Probate Code Section 4702(b) without substantive change.

§ 2433. Requirements for printed form of durable power of attorney for health care

Comment. Subdivisions (a)-(b) of former Section 2433 are continued in Probate Code Section 4703 without substantive change. Subdivisions (c)-(d) are continued in Probate Code Section 4704 without substantive change.

§ 2434. Agent's authority to make health care decisions

Comment. Former Section 2434 is continued in Probate Code Section 4720 without substantive change.

§ 2435. Limitations on agent's authority

Comment. Former Section 2435 is continued in Probate Code Section 4722 without substantive change.

§ 2436. Availability of medical information to agent

Comment. Former Section 2436 is continued in Probate Code Section 4721 without substantive change.

§ 2436.5. Expiration of durable power of attorney for health care

Comment. Former Section 2436.5 is continued in Probate Code Section 4654 without substantive change.

§ 2437. Revocation of durable power of attorney for health care

Comment. Former Section 2437 is continued in Probate Code Section 4727 without substantive change.

§ 2438. Immunities of health care provider

Comment. Former Section 2438 is continued in Probate Code Section 4750 without substantive change.

§ 2438.5. Presumption concerning power executed in other jurisdiction

Comment. Former Section 2438.5 is continued in Probate Code Section 4752 without substantive change.

§ 2439. Other authority not affected

Comment. Former Section 2439 is continued in Probate Code Section 4652 without substantive change.

§ 2440. Principal's objections

Comment. Former Section 2440 is continued in Probate Code Section 4724 without substantive change.

§ 2441. Restriction on execution of durable power of attorney for health care as condition for admission, treatment, or insurance

Comment. Former Section 2441 is continued in Probate Code Section 4725 without substantive change.

§ 2442. Alteration or forging, or concealment or withholding knowledge of revocation of durable power of attorney for health care

Comment. Former Section 2442 is continued in Probate Code Section 4726 without substantive change.

§ 2443. Unauthorized acts or omissions

Comment. Former Section 2443 is continued in Probate Code Section 4723 without substantive change.

§ 2444. Form of durable power of attorney for health care

Comment. Former Section 2444 is continued in Probate Code Section 4651 without substantive change.

§ 2445. Validity of durable power of attorney for health care executed in another jurisdiction

Comment. Former Section 2445 is continued in Probate Code Section 4653 without substantive change.

Civ. Code § 2450 (repealed). Use of old statutory forms

SEC. _____. Chapter 3 (commencing with Section 2450) of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

Comment. Former Section 2450 is continued in Probate Code Section 4409 without substantive change.

Civ. Code §§ 2475-2484 (repealed). Uniform Statutory Form Power of Attorney Act

SEC. _____. Chapter 3.5 (commencing with Section 2475) of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

§ 2475. Statutory form power of attorney

Comment. Former Section 2475 is continued in Probate Code Section 4401 without substantive change.

§ 2476. Requirements for statutory form power of attorney

Comment. Former Section 2476 is continued in Probate Code Section 4402 without substantive change.

§ 2477. Effect of initialing line in front of (N) in statutory form

Comment. Former Section 2477 is continued in Probate Code Section 4403 without substantive change.

§ 2478. Durability of statutory form power of attorney

Comment. Former Section 2478 is continued in Probate Code Section 4404 without substantive change.

§ 2479. Springing statutory form power of attorney

Comment. Former Section 2479 is continued in Probate Code Section 4405 without substantive change.

§ 2480. General provisions applicable to statutory form power of attorney

Comment. Former Section 2480 is continued in Probate Code Section 4407 without substantive change.

§ 2480.5. Compelling third person to honor statutory form power of attorney

Comment. Former Section 2480.5 is continued in Probate Code Section 4406 without substantive change.

§ 2481. Use of other forms

Comment. Former Section 2481 is continued in Probate Code Section 4408 without substantive change.

§ 2482. Short title

Comment. Former Section 2482 is continued in Probate Code Section 4400 without substantive change.

§ 2483. Construction

Comment. Former Section 2483 is continued in Probate Code Section 2(b) (uniformity of construction).

§ 2484. Severability

Comment. Former Section 2484 is continued in Probate Code Section 11 (severability).

§ 2485. Construction of powers generally

Comment. Former Section 2485 is continued in Probate Code Section 4450 without substantive change.

§ 2486. Real property transaction

Comment. Former Section 2486 is continued in Probate Code Section 4451 without substantive change.

§ 2487. Tangible personal property transactions

Comment. Former Section 2487 is continued in Probate Code Section 4452 without substantive change.

§ 2488. Stock and bond transactions

Comment. Former Section 2488 is continued in Probate Code Section 4453 without substantive change.

§ 2489. Commodity and option transactions

Comment. Former Section 2489 is continued in Probate Code Section 4454 without substantive change.

§ 2490. Banking and other financial institution transactions

Comment. Former Section 2490 is continued in Probate Code Section 4455 without substantive change.

§ 2491. Business operating transactions

Comment. Former Section 2491 is continued in Probate Code Section 4456 without substantive change.

§ 2492. Insurance and annuity transactions

Comment. Former Section 2492 is continued in Probate Code Section 4457 without substantive change.

§ 2493. Estate, trust, and other beneficiary transactions

Comment. Former Section 2493 is continued in Probate Code Section 4458 without substantive change.

§ 2494. Claims and litigation

Comment. Former Section 2494 is continued in Probate Code Section 4459 without substantive change.

§ 2495. Personal and family maintenance

Comment. Former Section 2495 is continued in Probate Code Section 4460 without substantive change.

§ 2496. Benefits from social security, medicare, medicaid, or other governmental programs, or civil or military service

Comment. Former Section 2496 is continued in Probate Code Section 4461 without substantive change.

§ 2497. Retirement plan transactions

Comment. Former Section 2497 is continued in Probate Code Section 4462 without substantive change.

§ 2498. Tax matters

Comment. Former Section 2498 is continued in Probate Code Section 4463 without substantive change.

§ 2499. After-acquired property

Comment. Former Section 2499 is continued in Probate Code Section 4464 without substantive change.

§ 2499.5. Power to modify or revoke trust

Comment. Former Section 2499.5 is continued in Probate Code Section 4465 without substantive change.

Civ. Code §§ 2500-2508 (repealed). Statutory Form Durable Power of Attorney for Health Care

SEC. _____. Chapter 4 (commencing with Section 2500) of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

§ 2500. Statutory form of durable power of attorney for health care

Comment. Former Section 2500 is continued in Probate Code Section 4771 without substantive change.

§ 2501. Warning or lawyer's certificate

Comment. Former Section 2501 is continued in Probate Code Section 4772 without substantive change.

§ 2502. Formal requirement

Comment. Former Section 2502 is continued in Probate Code Section 4773 without substantive change.

§ 2503. Requirements for statutory form

Comment. Former Section 2503 is continued in Probate Code Section 4774 without substantive change.

§ 2503.5. Use of forms valid under prior law

Comment. Former Section 2503.5 is superseded by Probate Code Section 4775. See Prob. Code § 4775 Comment.

§ 2504. Language conferring general authority

Comment. Former Section 2504 is continued in Probate Code Section 4776 without substantive change.

§ 2505. Effect of documents executed by agent

Comment. Former Section 2505 is continued in Probate Code Section 4777 without substantive change.

§ 2506. Termination of authority; alternate agent

Comment. Former Section 2506 is continued in Probate Code Section 4778 without substantive change.

§ 2507. Use of other forms

Comment. Former Section 2507 is continued in Probate Code Section 4779 without substantive change.

§ 2508. Short title

Comment. Former Section 2508 is continued in Probate Code Section 4770 without substantive change.

Civ. Code §§ 2510-2514 (repealed). Miscellaneous provisions relating to powers of attorney

SEC. _____. Chapter 5 (commencing with Section 2510) of Title 9 of Part 4 of Division 3 of the Civil Code is repealed.

§ 2510. Warning statement in durable power of attorney

Comment. Former Section 2510 is restated without substantive change in Probate Code Section 4128 (warning statement in durable power of attorney). See Prob. Code § 4128 Comment.

§ 2510.5. Form of durable power of attorney after January 1, 1986

Comment. Former Section 2510.5 is superseded by Probate Code Section 4102 (form of durable power of attorney after January 1, 1995). See Prob. Code § 4102 Comment.

§ 2511. Convincing evidence of identity of principal

Comment. Former Section 2511 is continued without substantive change in Probate Code Section 4751 (convincing evidence of identity of principal).

§ 2512. Protection of person relying in good faith on durable power of attorney

Comment. Former Section 2512 is continued without substantive change in Probate Code Section 4303 (protection of third person relying

in good faith on durable power of attorney). See also Prob. Code § 4750 (immunities of health care provider).

§ 2513. Application to principal's property; description of items

Comment. Former Section 2513 is continued without change in Probate Code Section 4123(b) (application to principal's property).

§ 2514. Springing power of attorney

Comment. The introductory clause of subdivision (a) of former Section 2514 is superseded by Probate Code Section 4010 (application of definitions). Paragraph (1) of subdivision (a) is restated without substantive change in Probate Code Sections 4014 ("attorney-in-fact" defined), 4022 ("power of attorney" defined), and 4026 ("principal" defined). Paragraph (2) of subdivision (a) is continued without change in Probate Code Section 4030 ("springing power of attorney" defined).

Subdivisions (b)-(e) are continued without substantive change in Probate Code Section 4129 (springing power of attorney). See Prob. Code § 4129 Comment.

FINANCIAL CODE

Fin. Code § 6725 (amended). Power of attorney as to account in savings and loan association

SEC. _____. Section 6725 of the Financial Code is amended to read:

6725. (a) Notwithstanding any other provision of law, an association or federal association may continue to recognize the authority of an attorney-in-fact authorized in writing to manage or to make withdrawals either in whole or in part from the savings account of a holder, whether minor or adult, until it receives written notice or is on actual notice of the revocation of authority, whether the revocation is express or by operation of law.

(b) Except as provided in Sections 2400 through 2407 of the *Civil Division 4.5 (commencing with Section 4000) of the Probate Code*, written notice of the death or adjudication of incompetency of the account holder that is delivered to the

office where the account is maintained shall constitute written notice of revocation of the authority of the attorney-in-fact.

(c) No association or federal association shall be liable for damages, penalty, or tax by reason of any payment made pursuant to this section.

Comment. Subdivision (b) of Section 6725 is amended to substitute a reference to the Power of Attorney Law which replaced the former Civil Code sections.

P R O B A T E C O D E

Heading of Chapter 5 (commencing with Section 3700) (amended)

SEC. _____. The heading of Chapter 5 (commencing with Section 3700) of Part 8 of Division 4 of the Probate Code is amended to read:

CHAPTER 5. PERSONAL PROPERTY OF ABSENT FEDERAL PERSONNEL

Comment. The chapter heading is amended since the power of attorney provisions in Article 4 (commencing with Section 3720) are not restricted to personal property.

Prob. Code § 3721 (added). Knowledge where principal is “absentee”

SEC. _____. Section 3721 is added to the Probate Code, to read:

3721. For the purposes of Chapter 5 (commencing with Section 4300) of Part 2 of Division 4.5, in the case of a principal who is an absentee, an attorney-in-fact or third person shall be deemed to be without actual knowledge of the following:

(a) The principal’s death or incapacity while the absentee continues in missing status and until the attorney-in-fact or third person receives notice of the determination of the absentee’s death by the secretary concerned or the head of the

department or agency concerned or the delegate of the secretary or head.

(b) Revocation by the principal during the period described in subdivision (a).

Comment. Section 3721 continues without substantive change the part of Civil Code Section 2357 that related to powers of attorney involving federal absentees. References to “attorney-in-fact or third person” have been substituted for the former references to “person” for clarity and conformity with the language of the Power of Attorney Law.

See also Sections 1403 (“absentee” defined), 1440 (“secretary concerned” defined), 4014 (“attorney-in-fact” defined), 4026 (“principal” defined), 4034 (“third person” defined).

Prob. Code § 3722 (added). Effect of dissolution, annulment, or legal separation on power of attorney

SEC. _____. Section 3722 is added to the Probate Code, to read:

3722. If after the absentee executes a power of attorney, the principal’s spouse who is attorney-in-fact commences a proceeding for dissolution, annulment, or legal separation, or a legal separation is ordered, the spouse’s authority as attorney-in-fact is revoked. This section is in addition to the provisions of Section 4154.

Comment. Section 3722 continues the part of former subdivision (f) of Civil Code Section 2355 relating to the effect of a legal separation and the filing of a petition for dissolution, nullity, or legal separation in the case of federal absentees. The reference in former law to contrary provisions “in writing” is omitted because it is unnecessary; powers of attorney are required to be in writing and the Power of Attorney Law permits variation of default rules in the power of attorney. See Sections 4022 (“power of attorney” defined), 4101 (priority of provisions of power of attorney).

See also Sections 1403 (“absentee” defined), 4014 (“attorney-in-fact” defined), 4022 (“power of attorney” defined).

Prob. Code § 5204. Special power of attorney for account transactions

SEC. _____. Section 5204 of the Probate Code is amended to read:

5204. (a) In addition to a power of attorney otherwise authorized by law, a special power of attorney is authorized under this section to apply to one or more accounts at a financial institution. For the purposes of this section, "account" includes checking accounts, savings accounts, certificates of deposit, savings certificates, and any other depository relationship with the financial institution.

(b) The special power of attorney under this section shall:

(1) Be in writing.

(2) Be signed by the person or persons giving the power of attorney.

(3) Explicitly identify the attorney in fact or attorneys in fact, the financial institution, and the account or accounts subject to the power.

(c) Language in substantially the following form is sufficient to create a power of attorney under this section:

"Transactions regarding this account or certificate of deposit may be made by the named agent(s). This agency is governed by Section 5204 of the California Probate Code. Under Section 5204, (1) the agent has no present or future ownership or right of survivorship in this account, (2) the agent must keep a record of the transactions and disbursements made under the agency, and (3) the agent may make disbursements from this account only to or for the benefit of the account owner unless the account owner has authorized the disbursement in writing."

(d) The power of attorney granted under this section shall endure as between the grantor and grantee of the power until the earliest of the following occurs:

(1) Revocation by the grantor of the power.

(2) Termination of the account.

(3) Death of the grantor of the power.

(4) Appointment of a guardian or conservator of the estate of the grantor of the power.

(e) A financial institution may rely in good faith upon the validity of the power of attorney granted under this section and is not liable to the principal or any other person for doing so if (1) the power of attorney is on file with the financial institution and the transaction is made by the attorney in fact named in the power of attorney, (2) the power of attorney appears on its face to be valid, and (3) the financial institution has convincing evidence of the identity of the person signing the power of attorney as principal.

(f) For the purposes of subdivision (e), “convincing evidence” requires both of the following:

(1) Reasonable reliance on a document that satisfies the requirement of Section ~~2511 of the Civil Code~~ 4751.

(2) The absence of any information, evidence, or other circumstances that would lead a reasonable person to believe that the person signing the power of attorney as principal is not the individual he or she claims to be.

(g) The protection provided by subdivision (e) does not extend to payments made after written notice is received by the financial institution as to any of the events of termination of the power under subdivision (d) if the financial institution has had a reasonable time to act on the notice. No other notice or any other information shown to have been available to the financial institution shall affect its right to the protection provided by this subdivision.

(h) The attorney in fact acting under the power of attorney granted under this section shall maintain such books or records as will permit an accounting of the acts of the attorney in fact if an accounting is requested by a legal representative of the grantor of the power.

(i) The attorney in fact acting under a power of attorney granted under this section is liable for any disbursement other than a disbursement to or for the benefit of the grantor of the

power, unless the grantor has authorized the disbursement in writing.

(j) Nothing in this section limits the use or effect of any other form of power of attorney for transactions with a financial institution. Nothing in this section creates an implication that a financial institution is liable for acting in reliance upon a power of attorney under circumstances where the requirements of subdivision (e) are not satisfied. Nothing in this section affects any immunity that may otherwise exist apart from this section.

(k) Nothing in this section prevents the attorney in fact from also being designated as a P.O.D. payee.

Comment. Subdivision (f)(1) of Section 5204 is amended to substitute a reference to the provision of the Power of Attorney Law that replaced the former Civil Code section.

REVISED COMMENTS

Prob. Code § 2. Continuation of existing law; construction of provisions drawn from uniform acts

Comment. Section 2 continues Section 2 of the repealed Probate Code without change. See also Gov't Code §§ 9604 (reference made in statute, charter, or ordinance to provisions of one statute carried into another statute under circumstances in which they are required to be construed as restatements and continuations and not as new enactments), 9605 (construction of amended statutory provision).

Some of the provisions of this code are the same as or similar to provisions of uniform acts. Subdivision (b) provides a rule for interpretation of these provisions. Many of the provisions of this code are drawn from the Uniform Probate Code (1987). Some provisions are drawn from other uniform acts:

- Sections 220-224 — Uniform Simultaneous Death Act (1953)
- Sections 260-288 — Uniform Disclaimer of Transfers by Will, Intestacy or Appointment Act (1978)
- Sections 260-288 — Uniform Disclaimer of Transfers Under Nontestamentary Instrument Act (1978)
- Sections 3900-3925 — Uniform Transfers to Minors Act (1983)
- Sections 4001, 4124-4127, 4206, 4304-4305 — Uniform Durable Power of Attorney Act
- Sections 4400-4465 — Uniform Statutory Form Power of Attorney Act
- Sections 6300-6303 — Uniform Testamentary Additions to Trusts Act (1960)
- Sections 6380-6390 — Uniform International Wills Act (1977).
See also Section 6387 (need for uniform interpretation of Uniform International Wills Act)
- Sections 16200-16249 — Uniform Trustees' Powers Act (1964)
- Sections 16300-16313 — Revised Uniform Principal and Income Act (1962)

A number of terms and phrases are used in the Comments to the sections of the new Probate Code (including the "Background" portion of each Comment) to indicate the sources of the new provisions and to describe how they compare with prior law. The portion of the Comment giving the background on each section of the repealed code may also use terms and phrases to indicate the source or sources of the repealed

section and to describe how the repealed section compared with the prior law.

The following discussion is intended to provide guidance in interpreting the terminology most commonly used in the Comments.

(1) *Continues without change.* A new provision “continues” a former provision “without change” if the two provisions are identical or nearly so. In some cases, there may be insignificant technical differences, such as where punctuation is changed without a change in meaning. Some Comments may describe the relationship by simply stating that a new provision “continues” or is “the same as” a former provision of the repealed Probate Code, or is “the same as” a provision of the Uniform Probate Code or another uniform act.

(2) *Continues without substantive change.* A new provision “continues” a former provision “without substantive change” if the substantive law remains the same but the language differs to an insignificant degree.

(3) *Restates without substantive change.* A new provision “restates” a former provision “without substantive change” if the substantive law remains the same but the language differs to a significant degree. Some Comments may describe the new provision as being the “same in substance.”

(4) *Exceptions, additions, omissions.* If part of a former provision is “continued” or “restated,” the Comment may say that the former provision is continued or restated but also note the specific differences as “exceptions to,” “additions to,” or “omissions from” the former provision.

(5) *Generalizes, broadens, restates in general terms.* A new provision may be described as “generalizing,” “broadening,” or “restating in general terms” a provision of prior law. This description means that a limited rule has been expanded to cover a broader class of cases.

(6) *Supersedes, replaces.* A provision “supersedes” or “replaces” a former provision if the new provision deals with the same subject as the former provision but treats it in a significantly different manner.

(7) *New.* A provision is described as “new” where it has no direct source in prior statutes.

(8) *Drawn from, similar to, consistent with.* A variety of terms is used to indicate a source for a new provision, typically a source other than California statutes. For example, a provision may be “drawn from” a uniform act, model code, Restatement, or the statutes of another state. In such cases, it may be useful to consult any available commentary or interpretation of the source from which the new provision is drawn for background information.

(9) *Codifies*. A Comment may state that a new provision “codifies” a case-law rule that has not previously been enacted into statutory law. A provision may also be described as codifying a Restatement rule, which may or may not represent previously existing common law in California.

(10) *Makes clear, clarifies*. A new provision may be described as “making clear” a particular rule or “clarifying” a rule as a way of emphasizing the rule, particularly if the situation under prior law was doubtful or contradictory.

(11) *Statement in Comment that section is “comparable” to another section*. A Comment may state that a provision is “comparable” to another provision. If the Comment to a section notes that another section is “comparable” that does not mean that the other section is the same or substantially the same. The statement is included in the Comment so that the statute user is alerted to the other section and can review the cases under that section for possible use in interpreting the section containing the statement in the Comment.

