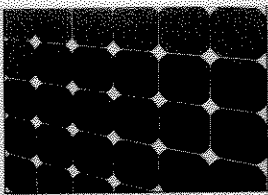


# BUSINESS

09.02.08



Ray B. Shepherd, new CEO of the Red Cross in North Jersey, is a man for all seasons. **2**



Wind and so being built tax breaks.

TUESDAY, SEPTEMBER 2, 2008

## ASK A LAWYER

# Small firms need to have a power of attorney

**Q. As sole owner of a business, do I need to have a power of attorney for business purposes?**

Running a business requires the performance of various day-to-day tasks that the individual business owner/operator comes to regard as routine. However, it is these routine daily tasks that can plague a small business if the owner suddenly becomes incapacitated and can no longer act on behalf of the business. For example, if the non-incorporated business owner/operator is the only person authorized signatory for payroll, the business operations may become paralyzed while the issue is being dealt with in court. A business power of attorney is an essential tool in minimizing the disruption to your business when unforeseen circumstances arise.

A power of attorney for business purposes allows you to appoint a trusted representative to manage your business affairs in the future, in the event you are unable to do so. Your authorized representative, your "attorney-in-fact," conducts business on behalf of your business. Your attorney-in-fact can enter into contracts, buy and sell property, file tax returns and write checks on behalf of your business. You can expand or

limit the list of powers that you grant your attorney-in-fact to best suit your needs and the needs of your business.

You may appoint a different attorney-in-fact to handle your business affairs than the one you appoint as a power of attorney for your non-business affairs, and you may change your appointee/powers of the attorney-in-fact as frequently as necessary.

If you are an individual business owner, it is advisable to retain experienced legal counsel to prepare a power of attorney for business purposes that is specifically tailored to safeguard you and your business against potential setbacks from circumstances that are beyond your control.

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Do you have a business question for a lawyer? Send it to [BusinessNews@northjersey.com](mailto:BusinessNews@northjersey.com).