



Quiz

Preventing Abuse of Powers of Attorney

1. What was the transaction in *Cohen v Cohen* that attracted the attention of the court?
 - a. Fraudulent ATM withdrawals
 - b. The severance of a joint tenancy
 - c. The transfer of a mother's property to her son for consideration of \$1
 - d. The failure of a son to pay his mother's nursing home fees
2. What did the Court find in respect of the son's role in the transaction?
 - a. That the transaction was outside of his power as attorney
 - b. That he had breached his fiduciary duties
 - c. That he had acted in his mother's best interests
 - d. That he had failed to properly consult with his mother
3. What was the issue discussed by Mr Browne and Ms McMillan with powers of attorneys drafted before 2004?
 - a. They were too lengthy
 - b. They failed to make reference to the best interests of the principal
 - c. They only allowed attorneys to undertake transactions necessary to fund medical and living expenses
 - d. They allowed the attorney to use the principal's assets in a way that benefited the attorney

4. What advice did Mr Browne and Ms McMillan offer for solicitors who are being asked to act in relation to a transaction carried out by an attorney?
 - a. Ask to see the power of attorney and evidence that supports any conditions that might need to be met before it is valid
 - b. Probe why a transaction is being carried out, even if it is within a family
 - c. Consider whether the transaction is in the interests of the principal
 - d. All of the above

5. What was the finding in *Anderson v Anderson*?
 - a. That although the daughter did not have the power to sever the joint tenancy as attorney, the transaction nonetheless stood
 - b. That the transaction should be set aside because of fraud
 - c. That the severance of the joint tenancy was within the attorney's power
 - d. That the daughter was personally liable for the cost associated with the invalid severance of the joint tenancy

Answers:

1. c 2. b 3. d 4. d 5. a