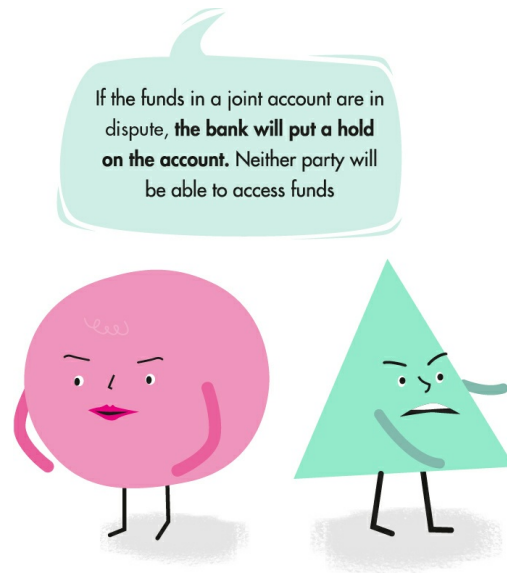


# Joint accounts

Joint accounts are a convenient way to look after shared funds, but problems can arise when account holders' relationship breaks down. We suggest ways to overcome these difficulties.



A shared bank or credit card account allows two or more people to have access to their shared funds. In most cases, funds in a joint account are owned jointly and severally. This means each account holder is entitled to all of the funds, as well as being liable for all of the debt on the account. Couples, close relatives and business partners typically use joint accounts.

## Immediate steps

Unless notified to the contrary, a bank will allow any account holder to operate a joint account. If an account holder wants to make changes to an account because of a relationship dispute, a bank will move with caution. Before it can make the requested changes, it needs to contact, and get agreement from, each account holder.

A bank won't get involved in relationship disputes. Its responsibility is to protect the funds in an account while the account holders either work out their differences or decide to close the account. If the funds in the account are in dispute, the bank may well place a hold on the account, meaning no account holder can withdraw funds.

In the case of joint credit cards, the safest course is to ask the bank to suspend the account. Otherwise, the bank

will require either full repayment of money owing on the card or the agreement of all account holders that one of them will take full responsibility for the debt before it will agree to make changes to the account or remove any holder's name from the account.

Stopping an account that is in daily or frequent use will almost inevitably cause complications. Account holders are responsible for ensuring that such deductions as automatic payments, direct debits and loan repayments continue after a stop is put on the account.

## Longer-term steps

If the relationship has broken down irrevocably, the account holders need to decide what to do with the shared funds or debt and the future of the account. Try to reach an agreement on this and advise the bank. If no agreement is possible, contact the bank as soon as possible. It will offer advice on the future operation of the account. One possibility, if all account holders agree, is to allow regular automatic payments to continue, but to stop any other access until account holders reach a final agreement.

See our Quick Guide [Account mandates](#) for more about operating shared accounts.

If there has been a dispute about a joint bank account, notify the bank immediately, it can act to protect the funds until the dispute is resolved.