



If you request in person (not through a Power of Attorney) that a joint account be opened and your bank has no reason to think that you are not capable of making this decision, they will usually open the joint account.

You may open or make an existing account joint with a family member or caregiver to make it easier for that person to assist with paying bills, or for estate planning purposes to avoid probate fees. Regardless of why you open a joint account, you need to realize the consequences.

You make that person a co-owner of the funds in the account.

This arrangement may be harmless if the other person is trustworthy and follows your wishes. But, if not, someone who chooses to abuse you or take advantage of your trust can take over the funds in a joint account and use them for their own benefit, not yours.

Your assets could be at risk.

If the joint account holder is sued or has a previous legal judgment or garnishment order against them or is engaged in a family law proceeding, your funds may be considered part of their assets and could be at risk.

Conflict can arise.

If you or your appointed Power of Attorney do not agree with how that person is operating the joint account. On your death, further conflict can arise if the joint owner claims the funds in the joint account as their own, different to the wishes set out in your Will.

There are safer alternatives.

A safer alternative to a joint account is a Power of Attorney, which allows the Attorney to help with financial transactions without transferring ownership of the funds to the Attorney. You can also appoint more than one person to be your Attorney.

If the purpose of the joint account is for the other person to assist you with paying household bills, a joint account for that purpose could be established, but you could only put money into it as need be. Set up a bank transfer from another account where only the funds necessary for household bills would be transferred and accessible to the joint account holder.

Source: (Canadian Bankers Association)