

# **The Mac joint deposit or savings accounts**

**effective 1st July 2013**



Macarthur Credit Union Ltd  
ABN 83 087 650 244  
AFSL/Australian credit licence No. 239933  
MAC54 07/13

A joint account is an account held by two or more persons.

The important legal consequences of holding a joint account are:

- the right of survivorship – when one joint holder dies, the surviving joint holders automatically take the deceased joint holder's interest in the account (for business accounts different rules may apply - see Note below)
- joint and several liability – if the account is overdrawn, each joint holder is individually liable for the full amount owing.

You can operate a joint account on an 'all to sign' or 'either/or to sign' basis:

- 'all to sign' means all joint holders must sign withdrawal forms, cheques, etc
- 'either/or to sign' means any one joint holder can sign withdrawal slips, cheques, etc.

All joint account holders must consent to the joint account being operated on an 'either/or to sign' basis.

However, any one joint account holder can cancel this arrangement, making it 'all to sign'.

### **Note:**

The right of survivorship does not automatically apply to joint business accounts, such as partnerships. A partner's interest in a business joint account would normally pass to beneficiaries nominated in the partner's will or next-of-kin if there is no will.

If you are operating a business partnership joint account, you should obtain your own legal advice to ensure your wishes are carried out.



[www.themaccu.com.au](http://www.themaccu.com.au)  
1300 622 278