

What happens to my joint account if the other account holder becomes bankrupt?

We will have to freeze the joint account when we are notified about the bankruptcy. This is because you will then share control of the money in the account with the person who administers the other joint account holder's assets. The money in the account is unlikely to be available immediately for you to use.

## Disagreements between joint account holders

What if I get into a dispute with the other joint account holder about the joint account?

If there is a dispute between you and the other joint account holder about money in the account and it is operated on an 'either to sign' basis, we may convert it to be 'both to sign'. This will mean that withdrawals can only be made from it if you and the other joint account holder both agree. Normally this will be a temporary step to protect you both until you both tell us the dispute is resolved.

What happens if my partner and I split up?

If you have a joint account with your husband, wife or partner and you split up, you need to contact us to arrange for the joint account to either be closed and new accounts opened in your sole names or to convert the joint account to a sole account. We will need to know how the money in the joint account is to be divided between you.

If you tell us you have split up and it is an 'either to sign' joint account, we will convert it to a 'both to sign' joint account. Remember, this will mean that withdrawals can only be made from it if you and the other joint account holder both agree. Normally this will be a temporary step to protect you both until we receive further instructions from both account holders.

## What happens to my joint account if I die?

Under the law of England and Wales, the balance of your joint account usually passes automatically to the surviving joint account holder and will then belong to them. There can be important advantages but also drawbacks to this.

An advantage is if you want money to go to someone in particular (such as your husband or wife) when you die. Having a joint account with just that person can help. If they are the only other account holder and they survive you, they will be able to go on using the account in their sole name.

But if you want to leave money to someone who is not the other joint account holder and to do this you include them in your Will, that person will not get any of the money you hold in a joint account with someone else. This is because, unless you have made special arrangements with the other joint account holder, the law regards the money in your joint account as belonging to the other joint account holder as well as to you. This means that it is not yours to leave in your Will.

This also applies if you have not made a Will. If your assets pass to your husband, wife or children, they will not get what you held in a joint account unless they were the joint account holder with you and they survive you.

The law in other countries (Scotland for example) may operate differently. However, all C&G savings accounts are governed by the law of England and Wales which means that on the death of a joint account holder, we will always change the details in our records to show that the account is held in the name of the surviving account holder(s).

This is important and if it may cause a problem, you should not open a joint account, or you should get legal advice before you do.

## About C&G Savings

C&G Savings is a division of Lloyds TSB Bank plc dedicated to providing the products and service C&G has always been known for.

As part of our service commitment, we promise that if anything should ever go wrong, we'll investigate it quickly and fairly.

If you need to make a complaint, please ask for a copy of our leaflet, Our Service Promise, which explains in detail what to do. If we are unable to settle your complaint, you will be entitled to refer it to the Financial Ombudsman Service.

We may monitor and/or record telephone calls in case there's a need to check that your instructions have been carried out correctly and to help improve our service quality.

## To find out more...

- Visit any C&G branch
- Log-on at [cheltglos.co.uk](http://cheltglos.co.uk)
- Call us on 0845 602 0022

## Textphone services

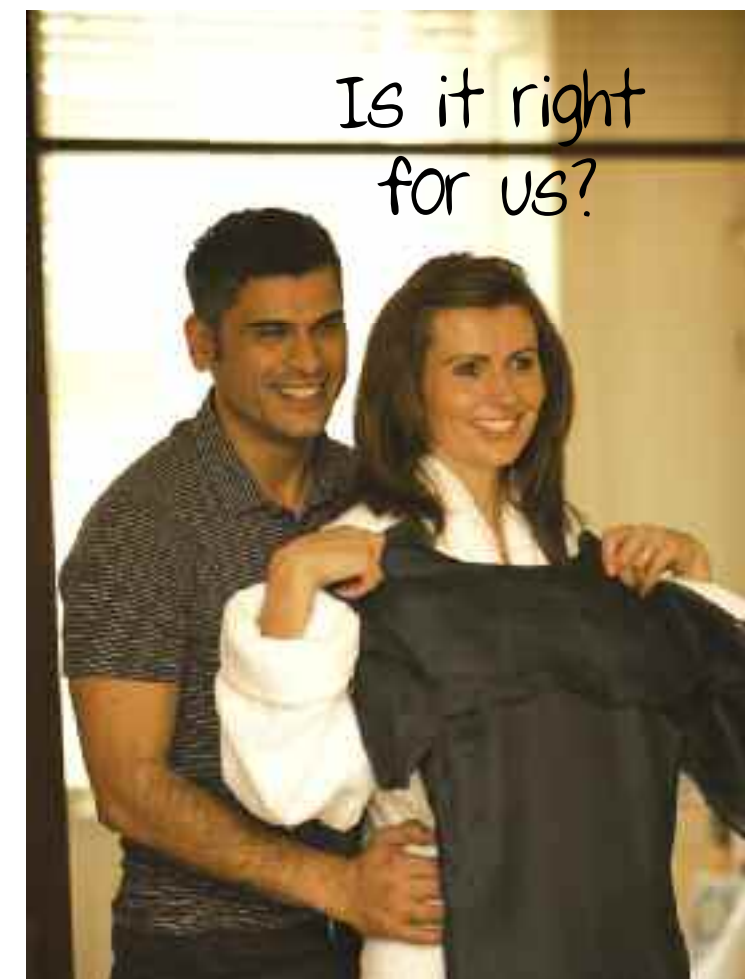
If you have a hearing or speech impairment and access to a textphone, to contact us please call **0845 300 4195**.

## Braille, large print and audio

If you would like us to provide this leaflet in Braille, large print or on audio, please call the C&G Savings Helpline on **0845 602 0022**, or contact any C&G branch and we will be happy to arrange it.

# You and your joint account

A guide for savers



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built around you

# Joint accounts

If you open an account in your name only, you have full control over it. However, if you open a joint account, where more than one person has access to it, it is important that you are aware what control each of you has and also what extra responsibilities you may have.

## This leaflet should help you to:

- Understand what a joint account is and what the implications are
- Appreciate what your responsibilities are as a joint account holder
- Identify if a joint account is right for you

## An introduction to joint accounts

### What is a joint account?

A joint account is an account opened in the names of two or more people. You can also have accounts held by only one person, known as ‘sole accounts’, but in this leaflet we just deal with joint accounts. We also assume in this leaflet that there are just two of you - you and the other joint account holder.

- This leaflet covers personal joint savings accounts. It does not cover joint account mortgages.
- Not all banks and building societies offer the same products and services. The information in this leaflet relates specifically to C&G savings accounts.

Joint accounts are useful where the finances of two people are closely linked. However, the added convenience comes with extra responsibilities. Some of these are important and may not be obvious. This leaflet explains what you should consider.

### What are the main features of a joint account?

It’s important that you understand that we will treat each of you as jointly entitled to all the money in your account and will not be concerned with any division of ownership of the money between you. That is a private matter between you and would not affect the terms on which your joint account is operated.

The way in which a joint account is operated (for example, who can withdraw money or make changes to the account) is governed by the ‘signing authority’. Again, this is something that you and the other joint account holder must agree between you and then confirm on your account application. Except for our phone-operated accounts, you can agree that you both need to sign for all transactions and any changes to the account, or that it only needs either one of you to sign.

If you agree that either one of you can sign, then either of you could withdraw all the money from your joint account. This is true even if only one of you puts all the money in; the other one could still withdraw it all. If you want to restrict each other’s ability to make withdrawals, you can agree that both joint account holders must sign for all transactions.

If you open one of our phone-operated accounts, it has to be on the basis that either one of you can authorise transactions.

### Is a joint account right for me?

It depends on your personal circumstances and those of the person you are thinking about opening the joint account with. A joint account can sometimes be convenient, for example:

- To manage your joint household budget
- To avoid having to decide who pays a bill each time
- To earn extra interest by having all the money you might have had split between two sole accounts held as a single, larger amount in a joint account
- To allow for only one account holder to authorise withdrawals: for example, where one of you is away from home for long periods

You should open a joint account only if you and the other joint account holder understand the commitments you are entering into. You also need to think about what would happen if you split up, had a disagreement or if one of you died.

**If you are at all worried about how the other joint account holder may use the joint account, you should consider carefully whether a joint account is right for you.**

## How a joint account is operated

### Can we arrange for either of us or for both of us to operate the joint account?

As mentioned earlier, you need to decide if you both want to authorise all transactions on your joint account (‘both to sign’), or are happy for just one of you to be able to do so (‘either to sign’).

If you choose to operate your account on a ‘both to sign’ basis, both you and the other joint account holder will know what is being taken out of the account. ‘Both to sign’ may be inconvenient, as it means you will both have to sign every account withdrawal, even for small amounts.

### Will I be responsible for withdrawals made by the other joint account holder on the joint account?

Yes, provided the withdrawal has been authorised in the way you have agreed with us on the signing authority.

### Will the other joint account holder see information about my transactions?

You are both entitled to see all information about all transactions on the joint account, even if it is not operated on a ‘both to sign’ basis.

**If you are not happy about this, you should not open a joint account.**

### Can we change an ‘either to sign’ joint account into ‘both to sign’, or the other way round?

If you set up a joint account where either of you can sign, then either of you can separately ask us to change it to a ‘both to sign’ joint account in future.

If you set up your account as ‘both to sign’ and you want to change it to ‘either to sign’, you both have to agree to this.

However, for C&G savings joint telephone-operated accounts, it is necessary to have ‘either to sign’ and you cannot change to ‘both to sign’.

### Can I convert the joint account into a sole account?

Yes. If you decide that a joint account is no longer suitable, you can convert it to a sole account. We will need you both to agree how the money in the joint account is to be divided between you.

If your account is a C&G branch-based account, both account holders will need to visit their nearest C&G branch to complete and sign a form. If you have been issued with a passbook, please bring this along with you, as you will be given a new one.

If you have a postal or telephone-operated C&G account, or if you have a C&G branch-based account and are not able to come into a C&G branch, please call 0845 602 0022 for further details.

### Can a power of attorney be applied to my joint account?

Only if the other joint account holder agrees. The attorney will become a signatory on the joint account on your behalf. We will ask the attorney and the other account holder to agree whether a new signing authority is needed.

### What happens if the other joint account holder becomes mentally incapable?

If the other joint account holder becomes mentally incapable, we cannot continue to operate the joint account without an order from the Court of Protection, (in England and Wales), which looks after mentally incapacitated people. In Scotland you could operate the account provided that the original account signing authority was ‘either to sign’ and there is not a court order preventing the account being used.

If the other joint account holder appointed you as attorney, under a lasting/enduring power of attorney (in England and Wales) or a continuing power of attorney (in Scotland) then, provided it has been registered, you can operate the joint account. Please read ‘Can a power of attorney be applied to my joint account’ above for how we will deal with another person being appointed.