

JOINT ACCOUNTS AND POWERS OF ATTORNEY

GENERAL INFORMATION ON JOINT ACCOUNTS AND POWERS OF ATTORNEY



**LAURENTIAN
BANK**

JOINT ACCOUNTS

What is a joint account?

A joint account is a type of bank account held by two or more people, often a couple, partners, friends or family members.

What are my rights in a joint account?

Joint account holders all have equal rights to the funds held in the account, and they can carry out transactions such as withdrawals and deposits without obtaining the approval of the other account holder(s), regardless of who deposits funds into the account.

However, it is possible to specify that the access to funds can only be authorized with the approval of all the account holders.

What are the risks incurred when I open a joint account?

If it was not specified when the joint account was opened, the other account holder(s) can use the funds held in the account without your approval, even if you were the one who deposited the majority of the funds.

If one of the account holders becomes separated or divorced, the funds in the joint account could be claimed in the separation or divorce settlement.

If one of the account holders has financial problems or declares bankruptcy, creditors could make claims on the funds in the account.

What happens if one of the account holders dies?

In Quebec, upon the death of a joint account holder, the account is frozen until the surviving spouse or the estate trustee provides the Bank with the necessary documents to unfreeze the funds. The allocation of funds is done according to an agreement concluded between the account holders or equally in the absence of such an agreement. In the other provinces and territories, most joint accounts include a survivorship clause, allowing the surviving spouse to become the owner of the account. It is recommended to have a personal bank account in addition to a joint account to avoid problems accessing funds if one of the account holders dies.

To find out more about joint accounts, visit [Canada.ca](https://www.canada.ca), then "Money and finances" > "Managing your money" > "Banking" > "Bank accounts".

POWERS OF ATTORNEY

1- A power of attorney is by definition a legal document whereby one person (the “mandator”) authorizes another person (the “mandatary”) to act on his or her behalf when carrying out, for example, banking transactions.

The power of attorney can take one of the following forms:

- › A simple written document obtained by completing the form entitled "*Protection Regimes/Power of Attorney – Individual or Sole Proprietorship*" (the “Bank’s form”) provided by the Bank. If you choose to complete this form, we recommend that you have it reviewed by a legal advisor before signing it, to ensure that it meets your needs.
- › A more complex document drafted by a legal advisor (legal power of attorney).

For general information on powers of attorney and their different forms, please read the brochure entitled “What every older Canadian should know about: Powers of Attorney (for financial matters and property) and joint bank accounts.” This document is available on the Government of Canada’s website at <http://publications.gc.ca>.

2- If you wish to give a power of attorney to a relative, the Bank must conduct the necessary verifications before it can be granted for your banking needs.

Depending on the type of power of attorney used, the Bank:

Legal power of attorney	Power of attorney via the Bank's form
<ul style="list-style-type: none">› Requires the presence of the mandator and the mandatary to present the power of attorney.› Identifies the mandator and the mandatary. <p>In cases where the mandator is absent:</p> <ul style="list-style-type: none">› Asks the mandatary where the mandator is and whether he or she is still mentally capable.› Contacts the mandator to make sure the power of attorney is valid.	<ul style="list-style-type: none">› Always requires the presence of the mandator and the mandatary when granting the power of attorney.› Identifies the mandator and the mandatary.
<ul style="list-style-type: none">› Obtains the original or a certified true copy of the legal power of attorney (for a notarized power of attorney, the document must be stamped with the notary’s seal).› Confirms with the mandator to make sure the designated mandatary and the powers granted by the mandator remain valid.› Verifies, in cases where more than one mandatary has been appointed, if they must act jointly or can act individually.	<ul style="list-style-type: none">› Completes and has the Bank’s form signed.› Records in the form, in cases where more than one mandatary has been appointed, whether they must act jointly or can act individually, in accordance with the mandator’s instructions.

Asks and collects the following information from the mandatary:

- › Personal information, such as name, address and birth date.

POWERS OF ATTORNEY (CON'T)

3- The client (mandator) must be of legal age in his or her province of residence and be considered mentally capable of granting a power of attorney.

A power of attorney does not prevent the mandator from continuing to manage his or her assets.

A power of attorney is no longer valid if the mandator dies or is declared incapable of managing his or her finances and assets.

It is possible that the power of attorney presented or a mandatory's instructions during a transaction may require additional review.

These verifications are conducted in your best interest, although they may result in additional delays.

In such cases, the Bank will inform you of the approximate delays incurred, depending on the nature of the verifications.

4- When the Bank refuses to act on the basis of the power of attorney or according to your mandatory's instructions, you or your mandatory can use the conflict escalation and resolution procedures explained in the brochure entitled Achieving Customer Satisfaction available in our branches.





**LAURENTIAN
BANK**