

## DID YOU KNOW THAT ADDING YOUR CHILDREN TO YOUR BANK ACCOUNTS AND DEEDS CAN LEAVE YOU VULNERABLE AND EXPOSED?

There is a common misconception that adding a child onto bank account ensures that they can access your funds in order to help you if you become sick. People believe that if you do this that you do not need an estate plan because things have been taken care of. Unfortunately, this is not true. If you add somebody on to your bank accounts that means that the person has joint ownership despite whatever understanding the two of you may have. If that person then finds themselves in trouble by way of a lawsuit, creditors, bankruptcy or divorce or even child-support back payments, the monies held in your bank account are at risk of being seized by creditors. Despite the fact that you may never have intended that money to be used by the person you have put on the bank account. It also means that the person you have added onto your bank account can potentially take all of the money in your bank account without giving you notice of the same.

If you add a person onto your title deeds this means that you are giving this person an interest in your property depending on the way the deed is drafted. This leaves you very vulnerable. If you make your child and equal owner in your property, your child can decide, at any time, that they no longer wish to own the property and can apply to the court for an order that the property be sold. While everybody says “not my child” or “my family will always do the right thing”, the fact of the matter is that you never know what another person will do when they believe that they have no choice.

It is much better to have safeguards in place for you to ensure that your beneficiaries are protected and most importantly you are protected from the actions of those beneficiaries. An enduring power of attorney will ensure that if you ever become physically or mentally unable to manage your own affairs, that somebody that you appoint will be able to manage your affairs on your behalf. This person will have an obligation to provide accounts and ensure that whatever is being done is in your best interest. We can prepare a primary homestead exemption application to ensure that your property passes to your beneficiaries free of inheritance taxes. If you have more than one property you can transfer the second property into a trust so that the properties are free from creditors and that they remain in your family for generations.; which means that in-laws and step-children will have no benefit from the assets that you worked so hard to acquire.

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