

Family Agreements Tip Sheet



A Family Agreement (sometimes known as an Assets for Care arrangement) should be mutually beneficial. Here are a few of the key points made by the panellists in the Family Agreements webinar. You can watch the full [webinar](#) and access more information about Family Agreements on [Compass.info](#)



If you are considering entering into a formal Family Agreement here are a few tips to consider

- When discussing the idea of formalising a Family Agreement with your family, remember that **putting this agreement in place isn't because you don't trust your family** – it is about protecting everyone's interests.
- Think about **what you want**.
- Think about **if you are being pressured**.
- As yourself - **is this the only option?**
- Consider what **you might be giving up if you enter into this agreement?** e.g. Independence, assets, and property.
- List all the **pros and cons**.
- Consider **what might happen** if you leave the agreement.
- Sit down and discuss everything with the party or parties to the agreement. If you are entering into the agreement with a family member, be sure to **discuss the proposed arrangement with the whole family as well as your friends** – so that everyone is aware of what you are doing and that you are getting as many different perspectives as possible. Discuss all the options and contingencies.
- **Get independent legal and financial advice** when drafting the formal Family Agreement.
- When you attend your appointment with your lawyer and/or financial adviser **do so without the financial beneficiary of the agreement present** e.g. adult child. Remember the lawyer is acting for you. If you need support to meet with a lawyer or financial adviser, **take somebody who is removed from the immediate situation**.

- Don't be concerned if the lawyer initially asks questions about **Capacity or the possibility of Undue Influence**. This is the lawyer doing their job.
- **Take time to consider all the advice before deciding** what is in your best interests.
- **Get on the Title of the property** if that is appropriate to your transaction e.g. Granny Flat arrangement.



Financial Information Services

Centrelink (Services Australia) **have the independent Financial Information Service** which you can [contact](#) to ask questions about the impact on Centrelink payments or tax of your proposed Family Agreement **e.g. gifting or transferring money or assets**.



What to do when things go wrong

Sometimes things go wrong through no fault of anybody. e.g. Illness may change circumstances. Relationships may breakdown. **Marriages can breakdown, particularly of adult children**. Employment circumstances may change or indeed parties to the agreement may not be able to fulfill their obligations. If you have a formal Family Agreement in place **you are better placed to access civil and legal options to resolve disputes**.

You can get support from an advocacy organisation. **You can start this process by contacting the Elder Helpline** ([1800 353 374](#))

Disclaimer: Laws in Australia vary from state to state and between territories. The information provided on this Tip Sheet is not a substitute for individual legal advice.