

What to do if there's been a mistake with an agreement or transaction

Before entering into an agreement or transaction, it is crucial to seek appropriate legal and financial advice. But what happens when a mistake is made? What are your options?

The first course of action should be to obtain advice from a solicitor about the nature of the agreement or proposed transaction and the relevant documents signed.

Once any errors have been determined, we can advise on possible avenues for correction.

Contrary to popular belief, simply tearing up or ignoring signed legal documents does not eradicate its effect on the transaction. In reality, once a documented agreement is executed (by signature or common seal), it can only be unmade (or amended) by the signing of other relevant legal documents.

Common examples of relevant legal documents we provide to correct, amend, support or revoke agreements or proposed transactions include:

1. Deeds of Rectification used to correct any typographical errors or amend the expressions utilised in the deed;
2. Deeds of Revocation used to withdraw a power of attorney granted on a donee;
3. Deed of Loan used to evidence any entitlements of a beneficiary of a discretionary trust;
4. Deeds of Unwinding used to finalise Limited Recourse Borrowing Arrangements (LRBA);
5. Deeds of Release used to release a party from financial or legal obligations; and
6. Deeds of Rescission used for exiting a contract where the termination terms and conditions are not explicitly stated in the contract, or where a mutual decision has been made to rescind the contract on other terms

Have you realised that a mistake has been made in a legal context? Do not wait! Delay could cause unnecessary tax or duty ramifications.

For more information on any aspect covered in this article, please call SUPERCentral on 02 8296 6266 or email info@supercentral.com.au.