

**SPECIAL INSTRUCTIONS TO CREDIT UNIONS FOR
APPLICATION FOR REVOCABLE AND IRREVOCABLE TRUST ACCOUNT FORMS**

1. The proper type of account application (i.e., share savings) should be filled out and attached to the "Application for Trust Account" form. In the space on the application provided for an account number, the type of account (i.e., share savings, DC) should be specified to avoid confusion. **IMPORTANT NOTE:** These applications for Trust Accounts are not intended for use with transaction accounts (i.e., share drafts).
2. The Credit Union is not required to and should not obtain a copy of the Trust Agreement from the member. Do not ask for a copy of the member's trust agreement, and do not accept one offered by the member. Don't assume unnecessary risk. If members have questions concerning whether the terms of the Trust Account Application are consistent with the terms of their Trust Agreement, refer them to their own attorney for an answer. If they seek a recommendation for counsel, send them to the local bar association, or give them three (3) names, none of whom represent the credit union.
3. Membership in Credit Union
 - a. Revocable: The Grantor(s) must be members of the Credit Union. The Trustee(s), if not the Grantor(s), are not required to be member(s) of the Credit Union.
 - b. Irrevocable: Either all of the Grantor(s), or all of the beneficiary(ies), must be member(s) of the Credit Union. The Trustee(s), if not the Grantor(s), are not required to be member(s) of the Credit Union.
4. Any notification of appointment of a successor trustee(s) should be made by the remaining trustee(s), if there are any. If you receive notice of the appointment of any successor trustees, you should consult with your attorney in order to determine whether the notice meets the necessary requirements under your state's laws.
5. If the Credit Union receives notice that all the trustees for a particular trust have died, it should be on the alert for notification of the appointment of any successor trustee(s). If you receive notice of the appointment of any successor trustee(s), you should consult with your attorney in order to determine whether the notice meets the necessary requirements under your state's laws.
6. If a Credit Union which receives notice of the death of all the trustees for a particular trust does not receive notice of the appointment of successor trustee(s) or the arrangements to appoint successor trustee(s) within 90 days after receiving the death notice, the Credit Union should take the following steps:

- a. Find out if a legal guardian has been appointed for any minors or legally incompetent persons.
- b. If a legal guardian exists, payment of the beneficiary's share should be made to that person on the beneficiary's behalf but, only upon adequate proof of legal guardianship. The Credit Union should consult with its attorney to determine if the proof is legally sufficient.

In the case of adult beneficiaries who are not legally incompetent, payment of their share may be made directly to them.

- c. If a legal guardianship does not exist for a beneficiary who is a minor or legally incompetent, the Credit Union should consult with its attorney in order to determine whether the beneficiary's share of the funds should be paid directly to the beneficiary, or whether the Credit Union should require the appointment of a legal guardian to receive these funds.