

BENEFICIARY ACCOUNTS IN CREDIT UNIONS (EXCERPT)

Act 31 of 1992

490.82 Credit union beneficiary account; rights of owners to money in account; passage of ownership rights to beneficiaries.

Sec. 2. (1) During the lifetime of 1 or more owners of a credit union beneficiary account, all rights to the money in the account belong to the owners. The rights of the owners, if there is more than 1, shall be governed by the contract between them and the credit union establishing the account, and by any applicable law pertaining to accounts with more than 1 owner other than section 7 of Act No. 41 of the Public Acts of 1968, being section 490.57 of the Michigan Compiled Laws.

(2) Upon the death of the owner of a credit union beneficiary account or upon the death of the last surviving owner of a credit union beneficiary account if there was more than 1 owner, all ownership interests in the account shall pass to the person or persons designated as beneficiaries.

(3) If no person designated as beneficiary of a credit union beneficiary account is living at the time of the death of the owner, the account shall be probated as part of the owner's estate. If there is more than 1 person designated as owner and no beneficiary is living at the time of the death of the last surviving owner, the account shall be probated as part of the last surviving owner's estate.

(4) If more than 1 person designated as beneficiary is living at the time of the death of the owner, or at the time of the death of the last surviving owner if there was more than 1 designated owner, the account shall be divided equally among the beneficiaries still living at that time. There shall be no rights of joint ownership among living beneficiaries and each shall only be entitled to his or her equal share.

(5) The passage of ownership rights to any account covered by this act is not subject to change by will.

History: 1992, Act 31, Imd. Eff. Apr. 17, 1992.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.