

UNIFORM TRANSFERS TO MINOR ACT (UTMA) ACCOUNTS

UTMA accounts are irrevocable custodial accounts held for the benefit of a minor. UTMA accounts allow a minor to receive monetary gifts without the aid of a guardian or trustee. A custodian manages the UTMA account until the minor attains the age of 18, 21, or 25, specified by the Custodian.

PARTIES

Custodian – Person authorized to transact, withdraw funds, or close the account. Only one custodian is permitted.

Beneficiary – Minor who benefits from the account. The beneficiary has no transaction authority.

Successor Custodian – Authorized to manage the account upon the resignation, incapacitation, or death of the initial custodian. A Trust Company can be named as a successor.

¹Based on specific account conditions, additional documentation may be required.

A \$1 deposit to a Regular Savings Account is required. Eligibility requirements apply. Ask for further details.

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MEMBERSHIP REQUIREMENTS

Membership will be based on either the custodian or beneficiary meeting membership eligibility.

Types of Accounts

UTMA: Account is managed by the custodian.

Court-Blocked UTMA: A court order is required to establish, close, or withdraw funds from the account.

Documentation

To open a UTMA account, the following documents will be required¹:

- Identification for Custodian
- Transfer to Minor Form
- Court Order (if applicable)

Transaction Authority and Account Closure

- The custodian is the only person able to transact on the account unless a court order is received.
- Upon the beneficiary attaining the specified age elected by the custodian, the account may be closed and paid directly to the beneficiary upon the instruction of the custodian or court order.

The following event(s) may occur that make the Custodian unable to act in this role:

- Resignation – The resigning custodian must submit a written and notarized statement.
- Incapacitation – A court order mandating a custodian as incapacitated.
- Deceased – Formal Proof of Death required.
- Removal from position via a court order.

Successor Custodian

The custodian may designate successor custodian(s) at the time of opening or any time after. If a custodian dies and no successor is designated upon the minor attaining the age of 14, he/she may designate a new qualified custodian. If the minor is under 14, the conservator of the minor becomes the successor custodian.

Insured by NCUA