

# Managing Your Loved One's Accounts

Account Settlement Guide

Questions  
(888) 354-6228



# Managing Your Loved One's Accounts

## INTRODUCTION

While coping with the loss of someone close to you is not easy, sorting out their financial affairs can make things seem harder still. You are not alone. Orange County's Credit Union Associates are here to help, and will gladly answer any questions you may have along the way.

We understand that visiting an Orange County's Credit Union location to settle these matters in person is not always possible. In many cases, our MSC Account Administration team will be able to assist through the entire process remotely. The following guide should help in answering most questions pertaining to the management of a loved one's account.

If you have any questions, please contact us Monday through Friday from 9:00 am to 6:00 pm, and Saturdays from 9:00 am to 2:00 pm.

Toll-free:	(888) 354-6228 ext. 7250, option 2
Website:	<a href="http://www.orangecountyscu.org">www.orangecountyscu.org</a>
Fax:	(714) 885-7620
Mail:	Orange County's Credit Union P.O. Box 11777 Santa Ana, CA 92711-1777 Attn: Member Service Center
In Person:	At any one of our ten Branch locations

## REQUIRED DOCUMENTS

### **Why is the certified death certificate needed?**

The death certificate gives us the information needed to verify the identity and legal residence of our Member. We will mail the death certificate back to you at the address provided.

### **Where do I get the death certificate?**

A certified death certificate is generally available from the funeral director who handled the deceased's funeral arrangements, as well as the Registry of Birth, Deaths, and Marriages in the applicable state. You may need multiple certified copies of the death certificate when dealing with various institutions in settling the deceased's affairs. The complexity of the estate and the number of institutions that the deceased conducted business with will help you determine the number of copies you may need.

### **How can I deliver the death certificate to Orange County's Credit Union?**

You can take the certified death certificate to any Orange County's Credit Union Branch or you can mail it to the following address:

Orange County's Credit Union  
Attn: MSC Account Administration  
P.O. Box 11777  
Santa Ana, CA 92711

### **Will Orange County's Credit Union ask for anything else?**

Other documents may be required under specific circumstances. We will work with you on what may be required for handling our Member's specific relationship.

### **For Small Estates**

We will need the CA 13100 probate form to be filled out completely and notarized.

### **For Formal Probate**

We will need to review court-issued Letters of Testamentary or Letters of Administration appointing an executor or administrator.

# Managing Your Loved One's Accounts

## GENERAL QUESTIONS

These are examples of typical questions, but the answers will vary depending on the type of account and the Member's state of residence. We encourage you to contact our MSC Account Administration department at (714) 755-5900 ext. 7250, option 2, to obtain the information specific to your needs.

### **How are accounts transferred after an account owner passes away?**

The action taken will vary based on the way the account is owned.

### **How long will it take the funds to be released?**

As the specifics of each account are different, the time it may take to settle an account will also vary. In general, we begin to process the request as soon as we receive the necessary documents.

### **Are there any other Credit Union-related products or services that may require attention?**

Yes, some possibilities to consider include:

- Online banking and scheduled bill payments
- Direct Deposits
- Automatic debits and loan payments
- Credit card payments and rewards
- Investments and Individual Retirement Accounts (IRA)
- Insurance Products

## SAVINGS AND CHECKING ACCOUNTS

### How will Individual accounts be handled?

If the affected Membership account was owned solely by the deceased Member, we will look to see if there are any beneficiaries listed first.

If no beneficiaries were assigned, funds in the deceased Member's account can be distributed in two ways:

#### Executor or Administrator of the Deceased Member's Estate

If an Executor or Administrator of the Deceased Member's Estate has been assigned by a court, a distribution can be made in the name of the deceased Member's Estate once Letters of Administration or Letters of Testamentary have been presented to Orange County's Credit Union.

#### Successor of the Deceased Member

If the deceased Member's estate is valued at \$166,250 or less, funds can be disbursed to the successor of the deceased Member. The successor would need to provide an affidavit or declaration pursuant to Probate Code 13100. In order for this to be completed, at least 40 days must have elapsed since the Member's date of death.

*An affidavit is a notarized, sworn, and written declaration made before an official authority, such as a judge of the court, or a notary public. The affidavit states who's entitled to the funds and it should mention specific account information.*

### How will Joint accounts be handled?

If the deceased Member was listed as the "Primary Owner" of the joint account, funds will be disbursed to the joint owner and the account will be closed. If you are a joint owner, you're eligible to open a new Membership account with Orange County's Credit Union. If you would like to establish a new account, you can visit any Branch or our Website (normal approval standards apply).

If the deceased Member was listed as a "Joint Owner", the Membership account can remain open.

### **IMPORTANT NOTE: Agent named in Power of Attorney**

A Power of Attorney designating another to act on behalf of the account owner (the principal) is valid only during that account owner's lifetime; the power to act ends with the account owner's death.

## CDs (Certificates of Deposit) and IRAs (Individual Retirement Accounts)

### How will CDs be handled?

If the CD has an “individual owner”, the funds will be disbursed to the deceased Member’s estate or listed beneficiaries.

If the CD has a joint owner, the surviving joint owner may choose one of the following options:

- Transfer the CD funds “as is” into a newly established CD, keeping the same dividend rate and maturity date as the original.
- Cash in the CD without penalty.

If the joint owner does not have an Orange County’s Credit Union account, one can be established by visiting any Branch or our Website (Normal approval standards apply).

### How will IRAs be handled?

The IRA account(s) will be closed without a penalty from Orange County’s Credit Union, and distributed to the designated beneficiaries. A spousal beneficiary may choose to accept the funds from the IRA account(s) as their own and deposit them directly into an IRA account established in their name. For non-spousal beneficiaries, the funds can be distributed to an IRA Beneficiary account at another institution.

## CONSUMER LOANS

### How will personal loans, lines of credit, and auto loans be handled?

If a Debt Protection Plan was elected by the Member, a claim will be filed and any applicable Debt Protection Plan coverage will be applied to the date-of-death loan balance.

Outstanding loan balances become the responsibility of the co-borrower or the Member’s estate. In the event there’s no co-borrower or the estate is insolvent, the loan will be referred to Orange County’s Credit Union Loan Servicing Department.

# Managing Your Loved One's Accounts

## **CREDIT CARDS**

### **How will affected credit cards be handled?**

If the deceased was the primary cardholder, the credit card will be closed. However, if there's a co-applicant on the credit card, the co-applicant can then apply for a new card in his/her name and transfer the remaining balance.

If there is a remaining unpaid balance, any applicable Debt Protection Plans will be applied, and the individual cards will be closed.

### **Should I continue making monthly payments on the account?**

Until the amount of the Debt Protection Plan proceeds is determined and the actual outstanding liability is known, please do not make any payments. During the period, no interest will accrue on the date-of-death balance.

### **Am I liable for the unpaid balance on an affected credit card account?**

If there is a balance after any applicable Debt Protection Plan settlement, you only assume responsibility for its payment if you are a co-borrower. You are also accountable for any legitimate charges made after the date-of-death.

If you are an authorized signer on the credit card account, please destroy or return the credit card to Orange County's Credit Union. You are only responsible for the unpaid balance if you apply for a credit card in your name and transfer the balance to the new card.

## **MORTGAGE LOANS**

### **What happens if there's a First Mortgage loan held by the deceased Member?**

Please contact the Orange County's Credit Union Mortgage Loan servicing center at (877) 883-1063 for further assistance.

### **What happens if there is a Home Equity or Home Equity Line of Credit held by the deceased Member?**

If an applicable Debt Protection Plan was elected by the Member, a claim will be filed and any applicable Debt Protection Plan coverage will be applied to the date-of-death loan balance.

Outstanding loan balances become the responsibility of the co-borrower or the Member's estate. In the event there's no co-borrower, the loan will be referred to Orange County's Credit Union Loan Servicing Center.

## **GLOSSARY OF TERMS**

### **Administrator or Executor of Estate**

The Administrator or Executor of an Estate is a legal term referring to a person appointed by a court to oversee the estate of a deceased person who left no will.

### **Affidavit**

An Affidavit is a written sworn statement of fact, voluntarily made by an affiant or deponent under an oath or affirmation administered by a person authorized to do so by law.

### **CD (Certificate of Deposit)**

A Certificate of Deposit or CD is a time deposit with a fixed term, and usually, a fixed interest rate. It is intended that the CD be held until maturity, at which time the money may be withdrawn together with the accrued interest.

### **Estate**

The sum of a person's assets, legal rights, interests, and entitlements to property of any kind, less all liabilities at that time.

### **IRA (Individual Retirement Account)**

An Individual Retirement Account or IRA, is a form of "individual retirement plan", provided by many financial institutions, that provides tax advantages for retirement savings in the United States.

### **Letters of Administration or Letters Testamentary**

Letters of Administration or Letters Testamentary are letters issued by a court, appointing an executor and granting that person authority over estate assets.

### **Next of Kin**

An individual's closest living relative or relatives.

### **Pay-on-Death Beneficiary**

An individual or individuals designated by the account holder(s), who receives payment of the remaining funds after the death of the account holder(s).

### **Probate**

The process of gathering a decedent's assets, paying the creditors and any taxes owed; then distributing the remainder according to the will.



# Managing Your Loved One's Accounts

## TAX INFORMATION

Determining what taxes are due after a Member's death can be complicated. You may need to contact the IRS, an attorney, or a CPA familiar with both federal estate taxes and local state inheritance taxes.

## IMPORTANT PHONE NUMBERS

### IRS

Toll-free	(800) 929-1040
Website	<a href="http://www.irs.gov">www.irs.gov</a>

### Social Security Administration

Toll-free	(800) 772-1213
Website	<a href="http://www.ssa.gov">www.ssa.gov</a>

### US Treasury

Toll-free	(800) 4US-BONDS
Website	<a href="http://www.ustreasurydirect.gov">www.ustreasurydirect.gov</a>

### Orange County Employee Retirement System

Phone	(714) 558-6200
Website	<a href="http://www.ocers.org">www.ocers.org</a>

### Orange County Employee Association

Phone	(714) 835-3355
Website	<a href="http://www.oceamember.org">www.oceamember.org</a>

### County of Orange Clerk-Recorder

Phone	(714) 834-2500
Website	<a href="http://ocrecorder.org">ocrecorder.org</a>

### Department of Veteran Affairs

Benefits	(800) 827-1000
Life Insurance	(800) 669-8477
TDD	(800) 829-4833
Website	<a href="http://www.va.gov">www.va.gov</a>

### Accidental Death and Dismemberment Insurance Claims Department

Toll-free	(800) 779-5433
-----------	----------------

# Managing Your Loved One's Accounts

## **PLEASE NOTE**

We encourage you to consult with your legal and/or tax advisor to determine the appropriate state laws and corresponding legal documentation needed to close, transfer, or re-title any affected accounts.



Federally Insured by NCUA