

CREDIT UNION ACT (EXCERPT)
Act 215 of 2003

490.354 Acceptance of trust as member; conditions.

Sec. 354. (1) A domestic credit union may accept a trust as a member if any of the settlors living at the time of application are eligible for membership, or if none of the settlors are living at the time of application and 1 or more beneficiaries are eligible for membership.

(2) An account owned by 1 or more individuals may be titled or retitled in the name of a trust and not in the name of the individuals if all of the following are met:

(a) The trust is eligible for membership in the domestic credit union under subsection (1).

(b) Each owner consents in writing to titling or retitling the account in the name of the trust.

(c) Any beneficiaries listed on the account are removed as beneficiaries by the owners.

(d) The account is not an account that provides tax deferrals or any other tax benefit under state or federal law.

(3) If an account is retitled in the name of a trust under subsection (2), the membership of any individual or individuals who had owned all or an interest in the account is terminated unless he or she is a member based on ownership of another account, or he or she qualifies for, applies for, and is accepted into membership.

History: 2003, Act 215, Eff. June 1, 2004.