

## **Irrevocable Trust Deposit Accounts**

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SECU accepts deposits owned by an irrevocable trust. An irrevocable trust is created when a person, known as the grantor, sets money aside for the benefit of another. An irrevocable trust cannot be revoked or amended by the grantor. The grantor names a trustee to manage the assets in the trust.

Irrevocable trusts are created under one of the following circumstances:

- ▶ A revocable living trust that becomes irrevocable upon the death of the grantor(s).
- ▶ A trust is established and funded during the grantor's life and designated as irrevocable.
- ▶ An irrevocable trust is created upon the grantor's death and funded with specific assets from the grantor's estate. This type of trust is known as a testamentary trust.

The purpose of a trust is to control how trust property will pass to beneficiaries. A trust is established by executing a trust agreement and funding the trust with specific assets. The grantor of the trust names at least one trustee to handle the trust and at least one beneficiary to receive assets from the trust. The trustee is responsible for managing and disbursing trust property according to the instructions in the document.

As a reminder, SECU already accepts deposits owned by a revocable living trust. Unlike an irrevocable trust, a revocable living trust allows the grantor to amend or revoke the trust. Whether a trust is revocable or irrevocable, a trust deposit account provides trustees with an easy method of managing and disbursing trust property. To establish a deposit account owned by a trust, the trustee will need to provide appropriate trust documentation and the tax identification number for the trust. For more information on trust deposit accounts and their eligibility for membership, please consult your local branch.

*Questions about irrevocable and revocable trusts may be answered by consulting an attorney. The material above is intended to be accurate; however, consultation with appropriate professionals for assistance is recommended.*