

Guide for Handling a Deceased Member's Estate, Assets, and Debts



SECU would like to extend our sincere condolences on the loss of your loved one. It is never easy to have a loved one pass away, and we understand this can be a difficult and overwhelming time. This guide is designed to answer any questions you may have regarding the account settlement process. SECU is here to help you through this entire process and to sort through the next steps with you. Our goal is to make handling the settlement as seamless as possible.

This guide is meant to be a general overview of the account settlement process. It is not meant to address all aspects of the process. Please contact the SECU Operations Department at 855-308-1237, Option 1. Additional contact information and important phone numbers are included at the end of this guide, should you have additional questions.

Please note that the information contained in this guide is for informational purposes only and not for the purpose of providing legal, tax, financial planning or investment advice. SECU encourages you to seek financial, tax and legal advice from professional advisors with respect to any particular issue or problem you may encounter during the settlement process. If appropriate, contact the probate court or its equivalent in the jurisdiction where the assets are located for further information on the probate process

General Information:

We recommend that you settle these accounts as soon as possible. SECU will continue reporting to the Internal Revenue Service (IRS) under the deceased's Social Security Number (SSN) until the account is closed. By taking prompt action, you can avoid complications resulting from continued IRS reporting under the deceased's SSN. We cannot predict how long it will take for an account to settle without understanding the scope of an individual's circumstances.

If you are inquiring regarding a deceased's member's business accounts or commercial real estate loans, please Contact Business Services at 800-879-7328, Option 3.

Please note, if you previously held a Power of Attorney (POA) for your loved ones' account, the POA is voided upon the death of the principal party.

Account Settlement at SECU

Once SECU has received a deceased member notification, we will review the account and documentation provided and contact the notifier within two weeks.

It will be helpful to have the following items when contacting us for account settlement:

- Certified copy of the death certificate (required)
- Photo ID (required for claimants and/or estate representatives)
- Deceased member's account number(s) with SECU
- Any applicable court papers; e.g. appointment of executor or representative, letters of testamentary, letters of administration, etc.

We may require additional documentation based on the account structure. We will notify you if we need anything further.

What to Expect on Deposit Accounts:

Checking, Savings, & Money Market accounts

- Single Owner Accounts with designated Payable on Death payee(s) will be closed and any remaining funds will be distributed equally to the designated beneficiaries once any open loans have been satisfied.
- Single Owner Accounts with no designated Payable on Death payee(s) will be closed and any remaining funds will be distributed to the Estate once any open loans have been satisfied.
- Joint Owner Deposit Accounts will remain open until SECU receives all proper documentation. The surviving joint owner can continue to use the account which includes but is not limited to writing checks, making withdrawals, and deposits into the account. Please be advised that eventually, this account will be closed or the surviving joint owner can choose to have the accounts retitled in their name.

- Any Debit and/or ATM cards must be deactivated to prevent unauthorized use.

Certificates of Deposit (CD's)

- Single Owner Accounts with designated Payable on Death payee(s) will be closed and any remaining funds will be distributed equally to the designated Payable on Death payee(s) once any open loans have been satisfied.
- Single Owner Accounts with no designated Payable on Death payee(s) will be closed and any remaining funds will be distributed to the Estate once any open loans have been satisfied.
- If the certificate has a joint owner, the surviving joint owner may choose one of the following options:
 - Transfer the certificate funds "as is" into a newly established certificate, keeping the same dividend rate and maturity date as the original.
 - Cash in the certificate without penalty.
 - If the joint owner(s) does not have a SECU account and is/are eligible for membership, he/she may decide to establish membership and transfer the certificate funds into a newly established certificate, keeping the same dividend rate and maturity date as the original or close the certificate without a penalty

Individual Retirement Accounts (IRAs)

- We will place the funds into an Inherited IRA under the beneficiary(s) name and tax identification number, due to reporting requirements by the IRS. The Beneficiary IRA will be titled to reflect the ownership as a Beneficiary IRA. The Beneficiary Packet will then be created and mailed out.

Due to tax implications and the complexity of IRA accounts, please contact us for further details.

Automatic Payments

There are three types of automatic payments that will be addressed once SECU receives notification that a member is deceased:

- Bill Pay – We will discontinue the automatic payments from the SECU Bill Pay system.
- For individual accounts, any automatic transfers going in or out of SECU will not be processed.
- For joint accounts, automatic transfers in or out will still disburse accordingly. Any direct deposits in the name of the deceased member received after the date of death will be returned.

Please notify any companies that are debiting the deceased's accounts that the member has passed away. Advise them to stop the automatic transfers because the account is being closed.

Federal Direct Deposits

- Any federal payments received in the deceased account holder's name after the date of death must be returned to the U.S. Treasury per federal regulation. Common federal payments include (but are not limited to) Social Security Benefits, Department of Veterans Affairs Benefits, USA Railroad Retirement. Any payments returned to any agencies must be settled directly with the agency. All federal payments received after the date of death are subject to reclamation by the U.S. Treasury.

We often receive notices from the U.S. Government stating that a member is deceased. Once we receive notice, we reserve the right to begin our process. If you have questions regarding a Federal Benefits Payment, please see the Contact Information section for the agency phone numbers.

An Overview On How Loan Accounts Are Handled:

SECU will determine if the deceased member had voluntary payment protection on their SECU loan and, if qualified, we will apply any voluntary payment protection proceeds towards their loan balance. Proceeds will be applied as of the date of death. Deposit account balances may also be applied to the outstanding loan balance. Surviving borrower(s), or the member's estate, are responsible for repaying any outstanding loan balances.

If for any reason you believe you will have difficulty making the payments, or you wish to surrender the property,

contact our Default Management team:

- For Mortgages call: 855-308-1235
- For all other loans call: 855-308-1236

Mortgages/Home Equity Loans

- For single borrower accounts, please have the Successor in Interest contact us for further information. Please see the Important Phone Numbers section for contact information to reach SECU.
- If you are a co-borrower on a real estate loan, we will contact you to see if you would like to become the primary borrower. If you don't wish to keep the loan, it will need to be paid in full and closed.

Credit Cards

- If the deceased was a sole borrower on a credit card, the credit card account will be frozen and no interest will accrue on the date of death balance. Statements will continue to be issued and addressed to the Estate.
- If there is a co-borrower on a credit card, the card can remain open and be retitled in the co-borrower's name. Co-borrowers should continue to make regular payments on the credit card account. Statements will continue to be issued and addressed to the new primary card holder.

Auto Loans/ Personal Lines Of Credit

- For single ownership accounts, we will contact the appropriate individuals to determine if the loan will be refinanced, paid off, or surrendered (for auto loans only).
- If you are a co-borrower, we will contact you to see if you would like to retain or close out the loan. If you choose to keep the loan account open, you will be responsible for the monthly payments on the loan. If you don't wish to keep the loan, it will need to be paid in full and closed out.

Automatic Payments

If automatic payments are deducted from the deceased member's external and internal account(s), SECU can assist you with updating payments.

General Questions

The following frequently asked questions will help you understand what to expect with the account settlement process.

1) What if the Payable on Death payee/Beneficiary(ies) hasn't received the beneficiary documents?

The beneficiary(ies) contact information may have changed. Please contact the SECU Operations Department using the contact information providing an updated mailing and/or email address. Once the request is reviewed and the beneficiary has been validated, the beneficiary documents can be sent to the updated address.

2) What if the Payable on Death payee/beneficiary(ies) wishes to disclaim inherited funds?

If you wish to disclaim your inherited funds, please contact us as soon as possible and before you accept any funds.

3) How do I reach the Social Security Administration concerning survivor benefits?

You can reach the Social Security Administration at 1-800-772-1213 or visit their website at www.ssa.gov. Since it can take up to 90 days to process a claim, it is important to notify them as soon as possible.

You are generally required to provide:

- proof of death, such as a certified copy of the death certificate
- the SSN of the deceased
- the name of the deceased's employer
- the deceased's most recent W-2 forms or self-employment tax return showing earnings in the year of his or her death
- a certified or original copy of the birth certificates of the spouse and minor children
- divorce papers if the divorced spouse is applying for benefits

4) *I am the designated Personal Representative of the estate but I am not a joint owner on the deceased's accounts. Will I be able to access information on the account, such as which checks have cleared?*

Yes. Once probate documentation is provided stating that you are the Personal Representative of the estate, you will be entitled to all account information.

5) *Does SECU offer Estate Accounts?*

Yes. In order to establish an estate account, please visit your nearest SECU branch location.

SECU Operations Department Contact Information for Deceased Account Information:

Should you have questions regarding this process, you may use the following communication channels to reach us.

- Phone: 855-308-1237 *Option 1*

- Mail:
SECU Credit Union
Attn: Operations – Decedent Claims
PO Box 2148
Glen Burnie, MD 21060

- Email: DecedentClaims@secumd.com
- Branch: Visit your [nearest branch location](#) to speak with a representative who can help you through this process.

Important Phone Numbers:

- Maryland Letter of Administration information: <http://registers.maryland.gov/main/faq.html>

- Internal Revenue Service (IRS):
800-829-1040
 - Be Prepared to Fax:
The deceased taxpayer's death certificate, **and**
either copies of Letters Testamentary approved by the court, or [IRS Form 56, Notice Concerning Fiduciary Relationship](#) (for estate executors)
www.IRS.gov

- SSA (Social Security Administration):
800-772-1213
www.ssa.gov

- US Treasury:
202-622-2000
www.treasury.gov

Financial Advice and Planning

For SECU's financial awareness resources, view our tutorials at secumd.org/advice-planning. For free, confidential financial counseling through Accel Members Financial Counseling visit secumd.org/financialcounseling or call 877-332-2235.