

524.6-201 DEFINITIONS.

Subdivision 1. **Scope.** As used in sections 524.6-201 to 524.6-214, the terms defined in this section have the meanings given them.

Subd. 2. **Account.** "Account" means a contract of deposit of funds between a depositor and a financial institution, and includes a checking account, savings account, certificate of deposit, share account and other like arrangement.

Subd. 3. **Financial institution.** "Financial institution" means any organization authorized to do business under state or federal laws relating to financial institutions, including, without limitation, banks and trust companies, savings banks, savings associations, and credit unions.

Subd. 4. **Joint account.** "Joint account" means an account so designated, and any account payable on request to one or more of two or more parties and to the survivor of them.

Subd. 5. **Multiple-party account.** A "multiple-party account" means a joint account or a P.O.D. account. It does not include accounts established for deposit of funds of a partnership, joint venture, or other association for business purposes, or accounts controlled by one or more persons as the duly authorized agent or trustee for a person, corporation, unincorporated association, charitable or civic organization or a regular fiduciary or trust account where the relationship is established other than by deposit agreement.

Subd. 6. **Net contribution.** "Net contribution" of a party to a joint account as of any given time is the sum of all deposits thereto made by or for the party, less all withdrawals made by or for the party which have not been paid to or applied to the use of any other party, plus a pro rata share of any interest or dividends included in the current balance. The term includes any proceeds of deposit life insurance added to the account by reason of the death of the party whose net contribution is in question.

Subd. 7. **Party.** "Party" means a person who, by the terms of the account, has a present right, subject to request, to payment from a multiple-party account. A P.O.D. payee is a party only after the account becomes payable by reason of the payee surviving the original party. Unless the context otherwise requires, it includes a guardian, conservator, personal representative, or assignee, including an attaching creditor, of a party. It also includes a person identified as a trustee of an account for another whether or not a beneficiary is named, but it does not include any named beneficiary unless the beneficiary has a present right of withdrawal.

Subd. 8. **Payment.** "Payment" of sums on deposit includes withdrawal, payment on check or other directive of a party, and any pledge of sums on deposit by a party and any setoff, or reduction or other disposition of all or part of an account pursuant to a pledge.

Subd. 9. **Proof of death.** "Proof of death" includes (a) a certified or authenticated copy of a death record purporting to be issued by an official or agency of the place where the death purportedly occurred which shall be prima facie proof of the fact, place, date and time of death and the identity of the decedent, (b) a certified or authenticated copy of any record or report of any governmental agency, domestic or foreign, that a person is dead which shall be prima facie evidence of the fact, place, date and time of death and the identity of the decedent.

Subd. 10. **P.O.D. account.** "P.O.D. account" means an account payable on request to one or more parties and on the death of the parties to one or more P.O.D. payees. The term also means an account in the name of one or more parties as trustee for one or more beneficiaries where the relationship is established by the form of the account and the deposit agreement with the financial

institution and there is no subject of the trust other than the sums on deposit in the account. A P.O.D. account does not include a trust account established under a testamentary trust or inter vivos trust, or a fiduciary account arising from a fiduciary relationship such as attorney-client.

Subd. 11. **P.O.D. payee.** "P.O.D. payee" means a person designated on a P.O.D. account as one to whom the account is payable on request after the death of one or more persons.

Subd. 12. **Request.** "Request" means a proper request for withdrawals, or a check or order for payment, which complies with all conditions of the account, including special requirements concerning necessary signatures and regulations of the financial institution; but if the financial institution conditions withdrawal or payment on advance notice, for purposes of this part the request for withdrawal or payment is treated as immediately effective and a notice of intent to withdraw is treated as a request for withdrawal.

Subd. 13. **Sums on deposit.** "Sums on deposit" means the balance payable on a multiple-party account including interest, dividends and, in addition, any deposit life insurance proceeds added to the account by reason of the death of a party.

Subd. 14. **Withdrawal.** "Withdrawal" includes payment to a third person pursuant to check or other directive of a party.

History: 1973 c 619 s 2; 1985 c 292 s 9-11; 1986 c 444; 1987 c 384 art 2 s 1; 1994 c 472 s 63; 1995 c 202 art 1 s 25; 1Sp2001 c 9 art 15 s 32