

**CREDIT UNION MULTIPLE-PARTY ACCOUNTS (EXCERPT)**  
**Act 41 of 1968**

**490.51 Credit unions; multiple-party accounts; definitions.**

Sec. 1. As used in this act:

(a) "Account" means a contract of deposit of funds between depositors and credit unions, and includes deposit accounts, members or share accounts and other like arrangements whether or not they may be characterized as refundable capital investments.

(b) "Beneficiary" means any person named a beneficial owner when an account provides that it is payable to a trustee for the beneficial owner.

(c) "Demand" means a request for withdrawal or for payment according to an order therefor in compliance with all conditions of the account and bylaws of the credit union.

(d) "Multiple-party account" means an account in the names of 2 or more persons, 1 or more or all of whom may make withdrawals, or an account in the name of 1 or more parties as trustee for 1 or more beneficiaries even though no mention is made of a right of withdrawal by a beneficiary. Accounts established for deposit of funds of a partnership, joint venture or other association or accounts controlled by 2 or more persons as the duly authorized agents or trustees for a corporation, unincorporated association, charitable or civic organization or any trust, except trusts of deposits evidenced only by the form of the deposit, are excluded from the meaning of the term and from the provisions of this act. At least 1 party to a multiple-party account shall be a member of the credit union in which the account is established.

(e) "Net contribution" of a party to a multiple-party account as of any given time is the sum of all deposits made by or for him, less all withdrawals made by or for him 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. It includes, in addition, any deposit life insurance proceeds added to the account by reason of the death of the party whose net contribution is in question.

(f) "Party" means a person who, alone or in conjunction with another, by the terms of the account or as a surviving beneficiary of a trust account, has a present right of withdrawal in a multiple-party account. Unless the context indicates otherwise, it includes a guardian, conservator-trustee, 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 he has a present right of withdrawal.

(g) "Payment" of sums on deposit includes withdrawal and payment on directive of a party.

(h) "Person" includes any person or entity capable of contracting.

(i) "Proof of death" includes a death certificate or other statement issued by an appropriate official which indicates that a named person is dead.

(j) "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.

(k) "Withdrawal" includes payment to a third person pursuant to directive of a party.

**History:** 1968, Act 41, Eff. Nov. 15, 1968.

**Compiler's note:** For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at MCL 445.2003 of the Michigan compiled laws.