

CHAPTER 705

MULTIPLE–PARTY AND AGENCY ACCOUNTS; NONPROBATE TRANSFERS AT DEATH;
TRANSFER ON DEATH SECURITY REGISTRATION

SUBCHAPTER I

MULTIPLE–PARTY AND AGENCY ACCOUNTS

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SUBCHAPTER II

NONPROBATE TRANSFERS AT DEATH;
TRANSFER ON DEATH SECURITY REGISTRATION

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SUBCHAPTER I

MULTIPLE–PARTY AND AGENCY ACCOUNTS

705.01 Definitions. As used in this subchapter, unless the context otherwise requires:

(1) “Account” means a contract of deposit of funds between a depositor and a financial institution, and includes a checking or savings account, certificate of deposit, share account and other like arrangement. All such contracts in which there are 2 or more parties or one or more agents shall be evidenced by a writing signed by each party making a deposit to the account, prior to or within a reasonable time after such deposit, containing language in substantially the form set forth in s. 705.02. For purposes of this subchapter, the term “account” does not include contracts established for the deposit of funds of a partnership, joint venture, or other association for business purposes, accounts controlled by one or more persons as the duly authorized agents or trustees for a corporation, limited liability company, unincorporated association, or charitable or civic organization, or regular fiduciary or trust accounts where the relationship is established other than by deposit agreement.

(2) “Agent” means a person who, by the terms of an account, has a present right, subject to request, to payment therefrom as agent for all of the parties to the account.

(3) “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, building and loan associations, savings and loan associations and credit unions.

(4) “Joint account” means an account, other than a marital account, payable on request to one or more of 2 or more parties whether or not mention is made of any right of survivorship. “Joint account” also means any account established with the right of survivorship on or after January 1, 1986, by 2 parties who claim to be husband and wife, which is payable on request to either or both of the parties.

(4m) “Marital account” means an account established without the right of survivorship on or after January 1, 1986, by 2 parties who claim to be husband and wife, which is payable on request to either or both of the parties and which is designated as a marital account. An account established by those parties with the right of survivorship under s. 766.58 (3) (f) or 766.60 is a joint account.

(5) “Net contribution” of a party to a joint account as of any given time is the sum of all deposits made by or for the party, less all withdrawals made by or for the party which have not been paid

to or applied for the use of any other party, plus a proportional share of any interest or dividends included in the current balance as adjusted to reflect time of deposit. It 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.

(6) “Party” means a person who, by the terms of an account, has a present right, subject to request, to payment therefrom other than as agent. A beneficiary of a P.O.D. account is a party only after the account becomes payable to the beneficiary by reason of the beneficiary’s surviving the original payee. A minor may be a party to an account, subject to the withdrawal restrictions of s. 705.04 (2). Unless the context indicates otherwise, “party” includes a guardian, conservator, personal representative or assignee, including an attaching creditor, of a party.

(7) “Payment” of sums on deposit includes withdrawal, payment on check or other order of a party, 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.

(8) “P.O.D. account” means an account payable on request to one person during lifetime and on the person’s death to one or more P.O.D. beneficiaries, or to one or more persons during their lifetimes and on the death of all of them to one or more P.O.D. beneficiaries. It includes 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. It includes a marital account for which a party named one or more P.O.D. beneficiaries for that party’s interest.

(9) “P.O.D. Beneficiary” means a person designated on a P.O.D. account as one to whom all or part of the account is payable on request after the death of one or more parties.

(10) “Request” means a proper request for withdrawal, or a check or other order for payment, which complies with all conditions of the account, including special requirements concerning necessary signatures and regulations of the financial institution. Unless the signature card, passbook, contract or instrument evidencing the account clearly provides to the contrary, a request by all parties to a joint or marital account is required for payment if the account is designated with their names conjunctively joined by the word “and”. If the financial institution conditions withdrawal or payment on advance notice, for purposes of this subchapter 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.

(11) “Sums on deposit” means the balance payable on a multiple-party account including interest, dividends, and any deposit life insurance proceeds added to the account by reason of the death of a party.

History: 1973 c. 291; 1979 c. 110 s. 60 (11); 1983 a. 186; 1989 a. 331; 1993 a. 112, 486.

Definition of “party” in sub. (6) relates only to parties to an account and has nothing to do with legal standing of named beneficiaries to sue depositor’s agent for negligence in failing to maintain POD account. *Brooks v. Bank of Wisconsin Dells*, 161 W (2d) 39, 467 NW (2d) 187 (Ct. App. 1991).

See note to sec. 705.06 citing *In Matter of Estate of Martz*, 171 W (2d) 89, 491 NW (2d) 772 (Ct. App. 1992).

Multiple-party and agency accounts. *Evans*, 1975 WBB No. 3.

705.02 Creation of multiple-party or agency relationship. (1) Provisions in substantially the following form contained in a signature card, passbook, contract or instrument evidencing an account shall be effective to create the multiple-party accounts described in this subchapter when conspicuously printed or typewritten immediately above or adjacent to the place for the signatures of the parties to the account:

(a) Joint account: “THIS ACCOUNT/CERTIFICATE OF DEPOSIT IS JOINTLY OWNED BY THE PARTIES NAMED HEREON. UPON THE DEATH OF ANY OF THEM, OWNERSHIP PASSES TO THE SURVIVOR(S).”

(b) P.O.D. account with single party: “THIS ACCOUNT/CERTIFICATE OF DEPOSIT IS OWNED BY THE PARTY NAMED HEREON. UPON THE DEATH OF SUCH PARTY, OWNERSHIP PASSES TO THE P.O.D. BENEFICIARY(IES) NAMED HEREON.”

(c) P.O.D. account with multiple parties: “THIS ACCOUNT/CERTIFICATE OF DEPOSIT IS JOINTLY OWNED BY THE PARTIES NAMED HEREON. UPON THE DEATH OF ANY OF THEM, OWNERSHIP PASSES TO THE SURVIVOR(S). UPON THE DEATHS OF ALL OF SUCH PARTIES, OWNERSHIP PASSES TO THE P.O.D. BENEFICIARY(IES) NAMED HEREON.”

(d) Marital account: “THIS ACCOUNT/CERTIFICATE OF DEPOSIT IS OWNED AS A MARITAL ACCOUNT BY THE PARTIES NAMED HEREON. UPON THE DEATH OF EITHER OF THEM, THE SURVIVOR OWNS 50% OF THE SUMS ON DEPOSIT.”

(e) Marital account with P.O.D. beneficiaries: “THIS ACCOUNT/CERTIFICATE OF DEPOSIT IS OWNED AS A MARITAL ACCOUNT BY THE PARTIES NAMED HEREON. UPON THE DEATH OF EITHER OF THEM, 50% OF THE SUMS ON DEPOSIT ARE OWNED BY THE SURVIVOR AND 50% ARE OWNED BY THE P.O.D. BENEFICIARY(IES) NAMED HEREON BY THE DECEASED PARTY.”

(2) Provisions in substantially the following form contained in a signature card, passbook, contract or instrument evidencing an account shall be effective to create the agency relationship described in this subchapter when conspicuously printed or typewritten immediately above or adjacent to the place for the designation of the agent or agents, which designation shall be separately subscribed or initialed by all of the parties to the account: “TRANSACTIONS REGARDING THIS ACCOUNT/CERTIFICATE OF DEPOSIT MAY BE MADE BY THE AGENT(S) NAMED HEREON. NO PRESENT OR FUTURE OWNERSHIP OR RIGHT OF SURVIVORSHIP IS CONFERRED BY THIS DESIGNATION.” In addition, if such designation makes specific reference to s. 705.05 (3) or otherwise provides that the authority of an agent shall be exercisable notwithstanding the legal disability of any party to the account, or if the designated agent is the spouse of a party, then the authority of such agent shall be governed by s. 705.05 (3).

(3) Any deposit made to an account created on or after July 1, 1975, and within the scope of this subchapter, which account is not evidenced by an agreement containing language in substantial conformity with this section, signed by the depositor in accordance with s. 705.01 (1), shall nonetheless be deemed to create

either a single-party relationship, with agency, or a joint or P.O.D. relationship, with or without the designation of one or more agents, or a marital relationship if the account is created after January 1, 1986, in accordance with whatever competent evidence is available concerning the depositor’s intent at the time the account was created. Such relationship may differ from that established by any other depositor. A deposit which is made in conformity with the language and signature requirements of this section and s. 705.01 (1) shall be deemed to create an account in accordance with this subchapter, with respect to such deposit and all other deposits by the same person, notwithstanding whatever relationships may be established by other depositors.

History: 1973 c. 291; 1983 a. 186; 1989 a. 331.

See note to 909.01, citing *Bruckner v. Prairie Fed. Savings & Loan Assn.* 81 W (2d) 215, 260 NW (2d) 256.

705.03 Ownership during lifetime. Unless there is clear and convincing evidence of a different intent:

(1) A joint account belongs, during the lifetime of all parties, to the parties without regard to the proportion of their respective contributions to the sums on deposit and without regard to the number of signatures required for payment. The application of any sum withdrawn from a joint account by a party thereto shall not be subject to inquiry by any person, including any other party to the account and notwithstanding such other party’s minority or other disability, except that the spouse of one of the parties may recover under s. 766.70. No financial institution is liable to the spouse of a married person who is a party to a joint account for any sum withdrawn by any party to the account unless the financial institution violates a court order.

(2) A P.O.D. account belongs to the original payee during the original payee’s lifetime and not to the P.O.D. beneficiary or beneficiaries. If 2 or more parties are named as original payees, during their lifetimes rights as between them are governed by sub. (1); and a surviving original payee may revoke or amend the P.O.D. beneficiary designation at will.

(3) A marital account belongs, during the lifetime of both parties, to the parties without regard to the proportion of their respective contributions to the sums on deposit or to the number of signatures required for payment. A party to a marital account may name one or more P.O.D. beneficiaries for that party’s interest. No person may inquire about the application of any sums withdrawn from a marital account by a party to the account, except that if the parties are married to one another the other party to the account may recover under s. 766.70.

History: 1973 c. 291; 1983 a. 186; 1993 a. 486.

Withdrawal of funds from joint account by either party while both are alive may not later be subjected to inquiry by other party’s estate. *Matter of Estate of Frank*, 140 W (2d) 429, 410 NW (2d) 621 (Ct. App. 1987).

The transfer of separately owned property of one spouse into a joint account in both spouses’ names changes the character of the ownership interest of the entire property to marital property. *In Matter of Estate of Lloyd*, 170 W (2d) 240, 487 NW (2d) 644 (Ct. App. 1992).

705.04 Right of survivorship. (1) Sums remaining on deposit at the death of a party to a joint account belong to the surviving party or parties as against the estate of the decedent unless there is clear and convincing evidence of a different intention at the time the account is created. If there are 2 or more surviving parties, their ownership interests during lifetime shall remain subject to s. 705.03 (1); and the right of survivorship continues between the surviving parties.

(2) If the account is a P.O.D. account, on the death of the original payee or the survivor of 2 or more original payees, any sums remaining on deposit belong to the P.O.D. beneficiaries if surviving, or to the survivor of them if one or more die before the original payee. Payment may be made to a minor P.O.D. beneficiary, however, only in accordance with a procedure approved in ch. 880. If 2 or more P.O.D. beneficiaries survive, they shall be entitled to payment of the sums on deposit in accordance with such written instructions as may have been filed with the financial institution, and if none, to payment in equal shares. There is no right of survi-

vorship in the event of the death of one of 2 or more P.O.D. beneficiaries after their entitlement to payment has matured unless the terms of the account expressly provide for survivorship or for the account's continuance as a joint account.

(2g) Notwithstanding subs. (1) and (2), the department of health and family services may collect, from funds of a decedent that are held by the decedent immediately before death in a joint account or a P.O.D. account, an amount equal to the medical assistance that is recoverable under s. 49.496 (3) (a), an amount equal to aid under 49.68, 49.683 or 49.685 that is recoverable under s. 49.682 (2) (a) or an amount equal to long-term community support services under s. 46.27 that is recoverable under s. 46.27 (7g) (c) 1. and that was paid on behalf of the decedent or the decedent's spouse.

(2m) Unless a marital property agreement under s. 766.58 provides otherwise, after deducting all payments and certifications made under s. 404.405 50% of the sums remaining on deposit at the death of a party to a marital account belongs to and may, upon the maturity of the account, be withdrawn by the surviving spouse and 50% belongs to and may, upon the maturity of the account, be withdrawn by the decedent's estate. No financial institution is liable for any amount withdrawn under this subsection by a party who falsely claims to be the decedent's spouse.

(3) Subject to s. 853.15, a right of survivorship arising from the express terms of the account or under this section, or a P.O.D. beneficiary designation, cannot be changed by will. Any transfers resulting from the application of this section are not to be considered testamentary dispositions.

(4) As to any deposit made on or after January 1, 1986, a surviving spouse who is not a party to the account may recover under s. 766.70 (6).

History: 1973 c. 291; 1983 a. 186; 1985 a. 37 s. 187; 1995 a. 27 ss. 7065 to 7065c, 9126 (19).

See note to sec. 705.06 citing *In Matter of Estate of Martz*, 171 W (2d) 89, 491 NW (2d) 772 (Ct. App. 1992).

705.05 Designation and powers of agent. (1) A party to an account, notwithstanding such party's minority, or if the account has multiple parties, all of them acting in concert, may appoint one or more agents for purposes of making withdrawals from the account. The authority of an agent to make withdrawals from an account may be terminated by any party to the account upon written notice to the financial institution, and this shall not preclude a party's liability for wrongful termination of such agency.

(2) The uses and purposes for which withdrawals may be made by an agent to an account shall be governed by agency principles of general application. The application of any sum withdrawn from an account shall only be subject to inquiry by a party to the account, and such party shall have the burden of proving breach of the agency relationship. A minor party may not disaffirm the appointment of an agent, but the period within which the minor party may inquire into the propriety of any withdrawal shall be governed by s. 893.16 or 893.18. Unless there is clear and convincing evidence of a different intent, if the agent is a spouse of a party, the sums so withdrawn may be used, but not by way of limitation, for the support and maintenance of either spouse or any common minor children.

(3) The parties to an account may provide, by the terms of the account or by independent written power of attorney which, if later, shall have precedence over the terms of the account, that the authority conferred upon an agent shall be exercisable notwithstanding any party's legal disability. In such case the authority of the agent is also exercisable notwithstanding later uncertainty as to whether a party is dead or alive. Absent a written direction to the contrary, the foregoing power of withdrawal shall exist without the necessity of written provision if the agent is the spouse of a party, but in such a case funds so withdrawn, the application of which may be inquired into only as provided in sub. (2), may only be used for the support and maintenance of either spouse and any

common minor children. This subsection shall apply to all accounts created prior to and after July 1, 1975.

History: 1973 c. 291; 1979 c. 323 s. 33; 1993 a. 486.

705.06 Protection of financial institutions. (1) In accordance with the terms of an account, and subject to this subchapter, ch. 112 and the duties prescribed for personal representatives in ch. 72 and unless otherwise ordered by a court of competent jurisdiction:

(a) A financial institution may on request pay any sums on deposit in the account to any party or agent; and the financial institution shall not be required to look into the source of funds received for deposit or the proposed application of any funds withdrawn or requested to be withdrawn.

(b) Any sums in a joint account may be paid, on request, to any party without regard to whether any other party is under legal disability or is deceased at the time the payment is requested.

(c) Any sums in a P.O.D. account may be paid, on request, to the P.O.D. beneficiary upon presentation to the financial institution of proof of death showing that the P.O.D. beneficiary survived all persons named as original payees.

(d) Any sums in a marital account may be paid, on request, to either party without regard to whether the other party is under legal disability or is deceased, unless the financial institution receives actual notice that the other party is deceased. After receipt of actual notice of the death of one party to a marital account, the financial institution may pay on request not more than 50% of the sums on deposit to the surviving party, and 50% of that amount to the personal representative of the deceased party or if applicable to any P.O.D. beneficiary of the deceased party's interest, unless before payment is made the financial institution receives a verified statement under s. 865.201 or a certified copy of a certificate or recorded application concerning survivorship rights under s. 867.046, in which case the financial institution shall make payment as provided in that document.

(2) Payment made under this subchapter discharges the financial institution from all claims for amounts so withdrawn. If the institution has reason to believe that a dispute exists as to the rights of the parties to an account or their successors it may, but shall not be required to, refuse to pay funds in the account to any persons. An institution may but need not recognize the authority of an agent, other than one with continuing authority under s. 705.05 (3), until it knows of the fact of death or adjudication of incompetence of all parties appointing such agent and has reasonable opportunity to act. The protection provided by this section shall have no bearing on the rights of parties or their successors in disputes concerning the beneficial ownership of funds in or withdrawn from an account.

History: 1973 c. 291; 1983 a. 186; 1987 a. 27; 1989 a. 331.

A personal representative is not a "party" to an account held as a "joint account" by the decedent and another who survives; a bank who disburses the funds of the joint account to the personal representative is not entitled to immunity under this section. *In Matter of Estate of Martz*, 171 W (2d) 89, 491 NW (2d) 772 (Ct. App. 1992).

Joint bank accounts in Wisconsin. O'Flaherty, 53 MLR 118.

705.07 Rights of creditors. (1) Only the creditors of any living party to an account may subject the entire sums on deposit to their claims, as if such sums resulted solely from contributions made by the debtor party. If a joint or P.O.D. account requires the signatures of all of the parties for purposes of withdrawal, such account shall not be subject to the claims of creditors of a debtor party to the extent of the net contributions of the other parties to the account. Such other parties shall have the burden of proving their net contributions by clear and convincing evidence.

(2) For purposes of ch. 242, a debtor party shall be deemed to have made a transfer only at the time some other party withdraws all or part of the sums on deposit, or at the time of the debtor party's death as to sums not previously withdrawn. In the case of a withdrawal while the debtor party is living, the sole grounds for determining any such transfer to be fraudulent shall be whether the debtor party is or will be thereby rendered insolvent under s.

242.05 (1) or whether the debtor party is engaged or is about to engage in a business or transaction for which the assets remaining in the debtor party's hands after the transfer are unreasonably small under s. 242.04 (1) (b) 1. In the case of a transfer by reason of the death of the debtor party, the sole ground for determining any such transfer to be fraudulent shall be whether the debtor party's estate subject to administration is insolvent under s. 242.02. For purposes of this subsection, the amount transferred shall be deemed to consist of those assets which the creditors of the debtor party could have made subject to their claims immediately prior to the transfer, less any sums which such creditors could have made so subject to their claims immediately after the transfer.

History: 1973 c. 291; 1987 a. 192.

705.08 Construction. This subchapter shall be construed in such a manner as to ensure reasonable certainty of legal result for those who establish a multiple-party or agency account.

History: 1973 c. 291; 1989 a. 331.

SUBCHAPTER II

NONPROBATE TRANSFERS AT DEATH; TRANSFER ON DEATH SECURITY REGISTRATION

705.20 Nonprobate transfers on death. (1) A provision for a nonprobate transfer on death in an insurance policy, contract of employment, bond, mortgage, promissory note, certificated or uncertificated security, account agreement, custodial agreement, deposit agreement, compensation plan, pension plan, individual retirement plan, employe benefit plan, trust, conveyance, deed of gift, marital property agreement, or other written instrument of a similar nature is nontestamentary. This subsection governs a written provision that:

(a) Money or other benefits due, controlled by or owned by a decedent before death must be paid after the decedent's death to a person whom the decedent designates either in the instrument or in a separate writing, including a will executed either before or at the same time as the instrument, or later;

(b) Money due or to become due under the instrument ceases to be payable in the event of death of the promisee or the promisor before payment or demand; or

(c) Any property controlled by or owned by the decedent before death which is the subject of the instrument passes to a person whom the decedent designates either in the instrument or in a separate writing, including a will executed either before or at the same time as the instrument, or later.

(2) This section does not limit rights of creditors under other laws of this state.

History: 1989 a. 331.

NOTE: Sections 705.20 to 705.30 apply to registrations of securities in beneficiary form made before, on or after 5–11–90 by decedents dying after 5–11–90.

705.21 Definitions; transfer on death security registration. In ss. 705.21 to 705.30:

(2) "Beneficiary form" means a registration of a security which indicates the present owner of the security and the intention of the owner regarding the person who will become the owner of the security upon the death of the owner.

(5) "Devisee" means any person designated in a will to receive a disposition of real or personal property.

(6) "Heir" has the meaning given in s. 851.09.

(7) "Personal representative" has the meaning given in s. 851.23.

(8) "Property" has the meaning given in s. 851.27.

(9) "Register", including its derivatives, means to issue a certificate showing the ownership of a certificated security or, in the case of an uncertificated security, to initiate or transfer an account showing ownership of securities.

(10) "Registering entity" means a person who originates or transfers a security title by registration, and includes a broker maintaining security accounts for customers and a transfer agent or other person acting for or as an issuer of securities.

(11) "Security" means a share, participation or other interest in property, in a business or in an obligation of an enterprise or other issuer, and includes a certificated security, an uncertificated security and a security account.

(12) "Security account" means any of the following:

(a) A reinvestment account associated with a security, a securities account with a broker, a cash balance in a brokerage account, cash, interest, earnings or dividends earned or declared on a security in an account, a reinvestment account or a brokerage account, whether or not credited to the account before the owner's death.

(b) A cash balance or other property held for or due to the owner of a security as a replacement for or product of an account security, whether or not credited to the account before the owner's death.

(13) "State" includes any state of the United States, the District of Columbia, the commonwealth of Puerto Rico, and any territory or possession subject to the legislative authority of the United States.

History: 1989 a. 331.

705.22 Registration in beneficiary form; sole or joint tenancy ownership. Only individuals whose registration of a security shows sole ownership by one individual or multiple ownership by 2 or more with right of survivorship, rather than as tenants in common, may obtain registration in beneficiary form.

Multiple owners of a security registered in beneficiary form hold as joint tenants with right of survivorship, as tenants by the entireties, or as owners of community property held in survivorship form, and not as tenants in common.

History: 1989 a. 331.

705.23 Registration in beneficiary form; applicable law.

A security may be registered in beneficiary form if the form is authorized by ss. 705.21 to 705.30 or a similar statute of the state of organization of the issuer or registering entity, the location of the registering entity's principal office, the office of its transfer agent or its office making the registration, or by ss. 705.21 to 705.30 or a similar statute of the law of the state listed as the owner's address at the time of registration. A registration governed by the law of a jurisdiction in which ss. 705.21 to 705.30 or similar legislation is not in force or was not in force when a registration in beneficiary form was made is nevertheless presumed to be valid and authorized as a matter of contract law.

History: 1989 a. 331.

705.24 Origination of registration in beneficiary form.

A security, whether evidenced by certificate or account, is registered in beneficiary form if the registration includes a designation of a beneficiary to take the ownership at the death of the owner or the deaths of all multiple owners.

History: 1989 a. 331.

705.25 Form of registration in beneficiary form.

Registration in beneficiary form may be shown by the words "transfer on death" or the abbreviation "TOD" or by the words "pay on death" or the abbreviation "POD", after the name of the registered owner and before the name of a beneficiary.

History: 1989 a. 331.

705.26 Effect of registration in beneficiary form.

The designation of a TOD beneficiary on a registration in beneficiary form does not affect ownership until the owner's death. A registration of a security in beneficiary form may be canceled or changed at any time by the sole owner or all then surviving owners, without the consent of the beneficiary.

History: 1989 a. 331.

705.27 Ownership on death of owner. On death of a sole owner or the last to die of multiple owners, ownership of securities

registered in beneficiary form passes to the beneficiary or beneficiaries who survive all owners. On proof of death of all owners and compliance with any applicable requirements of the registering entity, a security registered in beneficiary form may be reregistered in the name of the beneficiary or beneficiaries who survive the death of all owners. Until division of the security after the death of all owners, multiple beneficiaries surviving the death of all owners hold their interests as tenants in common. If no beneficiary survives the death of all owners, the security belongs to the estate of the deceased sole owner or the estate of the last to die of multiple owners.

History: 1989 a. 331.

705.28 Protection of registering entity. (1) A registering entity is not required to offer or to accept a request for security registration in beneficiary form. If a registration in beneficiary form is offered by a registering entity, the owner requesting registration in beneficiary form assents to the protections given to the registering entity by ss. 705.21 to 705.30.

(2) By accepting a request for registration of a security in beneficiary form, the registering entity agrees that the registration will be implemented upon death of the deceased owner as provided in ss. 705.21 to 705.30.

(3) A registering entity is discharged from all claims to a security by the estate, creditors, heirs or devisees of the deceased owner if it registers a transfer of a security in accordance with s. 705.27 and does so in good faith reliance on the registration, on ss. 705.21 to 705.30, and on information provided to it by affidavit of the personal representative of the deceased owner, or by the surviving beneficiary or by the surviving beneficiary's representatives, or other information available to the registering entity. The protections of ss. 705.21 to 705.30 do not extend to a reregistration or payment made after a registering entity has received written notice from a claimant to an interest in the security objecting to implementation of a registration in beneficiary form. No other notice or other information available to the registering entity affects its right to protection under ss. 705.21 to 705.30.

(4) The protection provided by ss. 705.21 to 705.30 to the registering entity of a security does not affect the rights of beneficiaries in disputes between themselves and other claimants to ownership of the security transferred or its value or proceeds.

History: 1989 a. 331.

705.29 Nontestamentary transfer on death. (1) A transfer on death resulting from a registration in beneficiary form is

effective by reason of the contract regarding the registration between the owner and the registering entity and ss. 705.21 to 705.30 and is not testamentary.

(2) Sections 705.21 to 705.30 do not limit the rights of creditors of security owners against beneficiaries and other transferees under other laws of this state.

History: 1989 a. 331.

705.30 Terms, conditions and forms for registration.

(1) A registering entity offering to accept registrations in beneficiary form may establish the terms and conditions under which it will receive requests for registration in beneficiary form and for implementation of registrations in beneficiary form, including requests for cancellation of previously registered TOD beneficiary designations and requests for reregistration to effect a change of beneficiary. The terms and conditions so established may provide for proving death, avoiding or resolving a problem concerning fractional shares, designating primary and contingent beneficiaries, and substituting a named beneficiary's descendants to take in the place of the named beneficiary in the event of the beneficiary's death. Substitution may be indicated by appending to the name of the primary beneficiary the letters "LDPS", standing for "lineal descendants per stirpes". This designation substitutes a deceased beneficiary's descendants who survive the owner for a beneficiary who fails to so survive, the descendants to be identified and to share in accordance with the law of the beneficiary's domicile at the owner's death governing inheritance by descendants of an intestate. Other forms of identifying beneficiaries who are to take on one or more contingencies, and rules for providing proofs and assurances needed to satisfy reasonable concerns by registering entities regarding conditions and identities relevant to accurate implementation of registrations in beneficiary form, may be contained in a registering entity's terms and conditions.

(2) The following are illustrations of registrations in beneficiary form which a registering entity may authorize:

(a) Sole owner – sole beneficiary: John S Brown TOD (or POD) John S Brown Jr.

(b) Multiple owners – sole beneficiary: John S Brown Mary B Brown JT TEN TOD John S Brown Jr.

(c) Multiple owners – primary and secondary (substituted) beneficiaries: John S Brown Mary B Brown, JT TEN TOD John S Brown Jr SUB BENE Peter Q Brown or John S Brown Mary B Brown JT TEN TOD John S Brown Jr LDPS.

History: 1989 a. 331.