

Workers Federal Credit Union

Trust Account Disclosure

Purpose

This disclosure is an addendum to and accompanies the Workers Federal Credit Union (“the Credit Union”) Terms and Conditions **Truth in Savings Disclosure**. This document outlines the requirements and responsibilities for opening and maintaining trust accounts—both revocable and irrevocable—with the Credit Union.

The purpose of this agreement is to:

- Summarize federal and state laws that apply to revocable and irrevocable trust accounts.
- Establish rules to cover transactions or events which the law does not regulate.
- Give you the disclosures of certain Credit Union policies to which you may be entitled or in which you may be interested.

Definitions

For purposes of this agreement, Grantors/Settlors, Trustees, Successor Trustees and Beneficiaries are defined as the following:

- **Grantor / Settlor Definition:** The individual who creates and funds the trust, transferring property into the trust and establishing its terms.
 - The terms “**grantor**” and “**settlor**” are interchangeable. They may also be referred to as **trustor** or **donor**.
- **Trustee Definition:** The person or institution appointed to hold legal title to trust property and manage it according to the trust’s terms. Trustees owe fiduciary duties of loyalty and prudence to the beneficiaries.
- **Successor Trustee Definition:** The person or entity named in the trust document to take over trustee duties if the original trustee resigns, becomes incapacitated, or dies.

- They have the same fiduciary responsibilities as the original trustee once they take over the original trustee's duties.
- **Beneficiary Definition:** The person or entity for whose benefit the trust is created. They have an equitable interest in the trust property, and their rights are defined by the trust terms

Agreement

For purposes of this agreement, “you” means the individual(s) establishing the relationship with the Credit Union. This document, along with any other documents we provide pertaining to your accounts, is a contract (also referred to as “this agreement”) that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference.

By signing the signature card or opening/continuing to use the account, you agree to these rules which may be amended from time to time without notice (except as is required by law). This document supersedes all previous versions of this addendum.

You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this agreement.

This agreement is subject to applicable federal laws, the laws of the Commonwealth of Massachusetts and other rules as applicable.

Membership and Account Requirements

Revocable Trust Accounts

- The individual(s) who establish the trust retains full control over the funds during their lifetime.
- The account owner may change beneficiaries at any time and can withdraw funds, thereby determining whether any designated beneficiary ultimately receives funds.
- The trust document must clearly identify all beneficiaries by name.
- Membership requirements: The owner of the funds must be a member of the Credit Union. If eligible for membership, the revocable trust account itself may serve as the means of establishing membership. There is no requirement to open a separate regular share account prior to opening the trust account.

Irrevocable Trust Accounts

- Once established, the trust cannot be altered; beneficiaries and terms are fixed
- Membership eligibility may be satisfied by either the grantor (settlor), who originally owned the funds, or by a named beneficiary who holds a beneficial interest in the trust.
- The trust document must clearly identify all beneficiaries by name.
- Either the grantor(s) or a beneficiary(ies) must be eligible for membership.
- The membership requirement can be met through the opening of the trust account itself; no separate regular share account is required.

Trust Documentation

To establish a trust account, the Credit Union requires:

- **Trust Declaration Page** showing:
 - The trust name
 - Date of establishment
 - Names of the grantor/settlers, trustees, beneficiaries, and successor trustee(s).
 - **Beneficiary Information:** Trusts documentation must list beneficiaries by name
 - **Certification of Trust** (if applicable) summarizing trust authority and existence.

Trustee Authority and Liability

The word “trustee” means a fiduciary of a revocable or irrevocable trust, who, like an owner, may take actions, conduct transactions and use accounts, products and services on behalf of the trust. A trustee may be named as a trustee on a service form or in our computer system and managed as we allow. Trustees are authorized to act only within the powers granted by the trust agreement.

The Credit Union assumes that if a trust names more than one trustee, each trustee may act independently of one another. The Credit Union will not accept trust accounts in which the trustees are not able to act independent of one another. The Credit Union is not liable for any actions taken by the trustee(s) outside the scope of their authority as defined in the trust document.

Massachusetts Law Compliance

Under Massachusetts General Laws, Chapter 171, Section 40, trust accounts may be established in the name of one or two persons as trustee(s) for another, provided the name and residence of the beneficiary are disclosed. Payments may be made to either trustee or the survivor, and such payments discharge the Credit Union from liability absent from written notice of other trust terms.

NCUA Compliance

Per NCUA Federal Credit Union Bylaws (Article III, Section 6): Shares may be issued in revocable or irrevocable trusts subject to membership requirements noted above. A trust may qualify as a member entity if all parties (grantor, trustee, beneficiaries) are within the Credit Union's field of membership.

Acknowledgment

By opening a trust account, the Grantor and Trustees acknowledge and agree to the following provisions:

- **Accuracy of Documentation:** All trust-related documents submitted to the Credit Union shall be complete, accurate, and current.
- **No Oversight of Fiduciary Duties:** The Credit Union shall have no obligation to monitor, supervise, or ensure Trustee compliance with fiduciary responsibilities or the terms of the trust. The Credit Union shall not be liable for any actions taken by the Trustee that exceed or contravene the Trustee's authority.
- **Adherence to All Other Terms and Conditions:** The Grantor and Trustees agree to comply with all other applicable terms, conditions, and requirements established by the Credit Union.

Legal Disclaimer

The Credit Union does not provide legal or tax advice. Members should consult their attorney or tax advisor regarding trust creation, administration, and related matters.