



Payable-on-Death Accounts

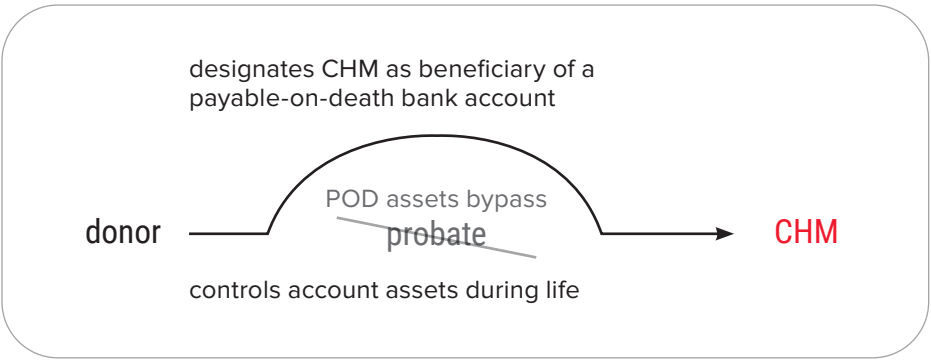
A payable-on-death account is an account at a bank or credit union (checking, savings, money market, or even CDs and savings bonds) with a designated beneficiary. An account holder can add this designation to an existing account to pass the money to an individual or charity outside of probate.

Concept applied:

A donor can easily add a payable-on-death (POD) designation to any new or existing bank account to pass the money directly to one or more individuals and/or charities at death.

How it works:

Karl Nelson adds a POD designation to his checking account and names a charity as the beneficiary. He retains complete control of the account and can change the beneficiary if he wishes. While the FDIC insures his other accounts and CDs at the same bank for a combined total of \$250,000, his POD account has its own \$250,000 coverage. At Karl's death, the charity must provide a certified copy of his death certificate to claim the money, which then passes directly from the bank to the charity without going through probate.



Why is it useful?

A POD account is sometimes called the “poor man’s trust” because it bypasses probate without the expense and complexity of an attorney-created trust. A POD account’s beneficiary designation generally takes precedence over any conflicting instructions in a will or revocable living trust.



CHM: NOW AND INTO THE FUTURE

From the telescope to the printing press to the steam engine, technological revolutions have always transformed the human condition. But never has there been a technological revolution set to change our world in pace, scope, and scale as the one in which we are currently immersed. Nonexistent only a lifetime ago, the forces of change brought on by the computing revolution are permanent, universal, and accelerating at an exponential rate. Great opportunities and great challenges have arisen on a scale never seen before.

This complex present and even more uncertain future requires a new citizenship—one that is equipped with knowledge, inspired by vision, and empowered to take action; one that values problem-solving, critical thinking, and collaboration; one that sets innovation and leadership in pursuit of equitable growth; and one committed to creating a sustainable future and improving the quality of life for this generation and the next.

CHM is in a unique position to empower people as catalysts for change inside our current technological revolution. CHM is using its extensive network and historical expertise amassed over four decades to promote a new citizenship for the digital age, bringing together companies and nonprofits, government leaders and policymakers, scholars and educators—because it will take all of us working together to build the future we envision.

FOR ADDITIONAL INFORMATION, PLEASE CONTACT

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