

VIRGINIA ACTS OF ASSEMBLY -- 1999 SESSION

CHAPTER 125

An Act to amend and reenact § 6.1-125.15 of the Code of Virginia, relating to banking and finance; joint accounts; required disclosures.

[H 2074]

Approved March 16, 1999

Be it enacted by the General Assembly of Virginia:

1. That § 6.1-125.15 of the Code of Virginia is amended and reenacted as follows:

§ 6.1-125.15. Identification of joint accounts.

A. Every financial institution in this Commonwealth offering joint accounts to its depositors shall either:

1. Maintain two separate forms for the creation of joint accounts, one of which shall be clearly labeled "JOINT ACCOUNT WITH SURVIVORSHIP" and the other of which shall be clearly labeled "JOINT ACCOUNT - NO SURVIVORSHIP," both of which shall be made available to all persons opening joint accounts; or

2. Maintain one form for the creation of such accounts that shall contain the two labels "JOINT ACCOUNT WITH SURVIVORSHIP" and "JOINT ACCOUNT - NO SURVIVORSHIP," with appropriate blank space or lines beside such labels for the parties to sign in order to indicate the type of account desired, which signature requirement shall be in addition to any signature verification form.

The forms provided for in alternative 1 may be identical in all respects except for the labels therein specified. This section shall not be construed to prevent any financial institution from changing from one method of identification to the other method of identification at any time, nor to require a financial institution making such a change to make any changes to the forms of its existing accounts. This section is not applicable to joint accounts created before July 1, 1980.

B. The forms described in subsection A shall include disclosures to inform persons opening joint accounts of the disposition of such accounts upon a party's death. Disclosures in a form substantially similar to the following shall satisfy the requirements of this section:

Joint Account With Survivorship - On the death of a party to the account, the deceased party's ownership in the account passes to the surviving party or parties to the account.

Joint Account - No Survivorship - On the death of a party to the account, the deceased party's ownership in the account passes as a part of the party's estate under the party's will, trust, or by intestacy.

2. That the provisions of this act shall become effective on July 1, 2000.