

Account Settlement Guide for Survivors

FORT KNOX FEDERAL
CREDIT UNION™

People Helping People

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Introduction

Please accept our deepest sympathies during this very emotional and stressful time. We understand that navigating through your loved one's financial matters can be challenging. We hope this information will be helpful to you and your family. We are here to help, so please contact us to discuss your situation.

There are several ways you can reach us:

- >By phone: 1.800.285.5669
- >By fax: 502.942.4115
- >By mail: Fort Knox Federal Credit Union
Attn: Death Claims
P. O. Box 900
Radcliff, KY 40159-0900
- >Online: fortknoxfederal.org
- >In Person: Visit your nearest branch

Upon contacting Fort Knox Federal Credit Union informing us of your loved ones passing, a Member Service Representative will gather information regarding the deceased member's account(s). The account(s) will be reviewed, which may include filing any insurance claims, determining account adjustments, asking for submission of and verifying the validity of required legal documents, determining funds disbursement and any other assistance we can provide.

In this guide, you will find frequently asked questions that will help you know what to expect and important contact information for civilian and military parties.

The information contained in this guide is for informational purposes only. We encourage you to seek financial, tax and legal advice from a professional with respect to any issue or problem you may encounter. For further information on the probate process, contact the probate court or its equivalent in the jurisdiction where the property is located.

Account Settlement

Savings and Checking Accounts

How long will affected account(s) remain open?

Fort Knox Federal recommends that you try settling the deceased member's account as soon as possible, however we understand the ability to do so can be different for each situation. Until the account is closed or retitled to the surviving joint owner, we will continue reporting to the Internal Revenue Service (IRS) under the deceased's Social Security Number (SSN). Since each situation is different, it is difficult to accurately predict how long account settlements might take.

What will happen to Direct Deposits coming to Fort Knox Federal?

If a Direct Deposit from a federal paying agency, such as Defense Finance and Accounting Services (DFAS) Kansas City, Social Security, or Veterans Administration, is received on or after the member's date of death, we are required to return the funds. Alerting paying agencies should be done as soon as possible by the family.

Pages 8 - 9 lists important phone numbers

What will happen to automatic payments that are being deducted from the affected Fort Knox Federal account(s)?

Notify any companies that are debiting the affected account that the member has passed away. Instruct them to stop the automatic payment because the account is being closed.

If I am a joint owner on an affected account and have my own ATM/Debit card, will I still be able to use the card to access the account?

We leave this decision up to you. You may leave the cards open until the account is closed or retitled or you may cancel them at any time.

If I am a joint owner on an affected account, can I still write checks from the account?

You can continue to write checks from the account if the account remains open.

Certificate(s) of Deposit and Individual Retirement Accounts (IRAs)

How will Certificate(s) of Deposit be handled?

The handling of Certificates varies, based on its ownership. If a joint owner is listed, the surviving joint owner may choose one of the following options:

- If you are the joint owner and spouse, you may transfer the certificate funds into a newly established certificate. You will keep the original dividend rate and maturity date.
- If you are the joint owner and not the spouse of the primary owner, you need to transfer the certificate to a newly established certificate or cash the certificate out. If transferred into a new certificate you will be subject to current rates and a new maturity date.
- You may cash in the certificate without penalty. You will continue to earn dividends until withdraw.

How will IRAs be handled?

IRA(s) accounts will be closed without penalty and distributed to the designated beneficiary(ies). If the beneficiary is the spouse, they may choose to take the distribution from the IRA as their own and deposit them directly into an IRA established in their name. If the beneficiary is not a spouse, the funds can be placed into an IRA beneficiary account or cashed out. If there is no beneficiary listed, funds will be payable to the deceased member's estate.

Consumer Loans

If the loan has any applicable Credit Life Insurance, it will be applied to the date-of-death loan balance. Any outstanding loan balance becomes the responsibility of the co-signer, co-borrower, or the member's estate. The executor/administrator of the estate must pay off all existing loan balances or provide Fort Knox Federal with the necessary documentation to file a claim against the estate. If there is no co-signer, co-borrower, or the estate is insolvent, the loan will be referred to the Collections Department for further action.

Credit Cards

How will Fort Knox Federal credit card accounts be handled?

The credit card account will be closed if the deceased member was the only card holder. However, if there is a joint card holder on the account, and the joint card holder is jointly responsible for the outstanding loan balance, then a new account will be opened and the credit card will be moved to the new account.

If I am the joint cardholder on an affected Fort Knox Federal credit card, can I continue using the card?

You can continue using the card, and the balance becomes your responsibility.

What should I do with the deceased's credit card if he/she was the only borrower on the credit card?

Cards belonging to the deceased and any authorized users should be destroyed.

What will happen to unpaid charges on affected credit cards?

If the account was covered by Credit Life insurance, it will be applied as of the date of death. Individual cards will be closed. If there is a joint card owner on the account, and the joint card owner will assume responsibility for the outstanding loan balance, then a new account will be opened and the credit card will be move to the new account.

Should I continue making monthly payments on the account?

Yes, you need to continue making monthly payments.

Will monthly statements continue to be issued?

Statements will continue to be sent to the primary account holder until the account is settled.

If I am an authorized user, am I liable for the balance on an affected credit card account?

No. However, you are liable for any charges that occur after the date of death of the account holder. You must also destroy or return your card to Fort Knox Federal.

If I am the joint cardholder, am I liable for the unpaid balance on an affected credit card account?

Yes. If the account was covered with Credit Life insurance and there is a balance after the Credit Life settlement, you are responsible for the balance. As a joint cardholder, you are also responsible for any legitimate charges that occur after the date of death of the account holder.

What will happen to automatic payments that are being made to a credit card from an affected Fort Knox Federal account?

Automatic payments will be canceled; however, you need to continue to make payments by mailing payments, transferring funds on Branch @ Home or visiting your local branch.

First Mortgage Loans, Fixed Equity Loans and Home Equity Lines of Credit

What happens if there is no co-borrower on the mortgage loan?

Please call 1.800.285.5669 to discuss the available options.

How will Home Equity Lines be handled?

Home Equity Lines of Credit will be closed and no further disbursements will be allowed.

What will happen to automatic payments that are being made to the deceased's mortgage from a Fort Knox Federal account?

The co-borrower or next of kin should contact Fort Knox Federal to discuss the available options. If there is a joint owner on the account, the payments can continue for a limited time.

What is probate?

Probate is the legal process that determines the authenticity and validity of a Will. It ensures that the person(s) entitled to receive the assets do receive them and that the family is protected. It also provides a process to ensure that all debts and taxes are paid. The executor of the estate will be appointed by the court using the will. In the event there is no will, the court will appoint a personal representative/administrator, which is usually a spouse or relative. The court may appoint an attorney or financial institution as executor or administrator. Check with your local court for specific requirements. We know this is a difficult time for you and your family, but it is best to go to probate court as soon as possible to settle matters as quickly and accurately as possible. Many factors; size, complexity, and state probate laws contribute to the amount of time the process will take. If the deceased's accounts were classified as "Joint Account – With Survivorship" the probate process may not be required. We recommend you speak to an attorney to determine what property is and is not subject to probate.

Documents required for probate vary from state to state. In addition to the deceased's full name and date of birth, most probate courts require, at a minimum, the following documents:

- Certified copy of the death certificate (this can be filed later)
- Will, if there is one
- Copy of the marriage certificate
- Names and addresses of all heirs, next of kin and beneficiaries
- Summary of deceased's assets

Duties of an Executor/Administrator

An executor is entrusted with making sure a person's wishes are carried out with regards to the disposition of their property and possessions. They are also responsible for making sure that debts and creditors of the deceased are paid off.

The following is a checklist of the typical duties of an executor when settling an estate:

- ☑ **Consult a certified public accountant (CPA) and an attorney about your executor duties.** This can be helpful because they are familiar with local probate procedures and the steps required to settle an estate.
- ☑ **File the Will and initiate probate.** It is the responsibility of the executor to file the Will with the appropriate state probate court and petition the court for "Letters of Administration". These letters provide legal proof of who the executor of the estate is. You need several certified copies of these court documents. They may be requested when handling certain financial transactions.
- ☑ **Request several copies of the death certificate.** To conduct estate business, you will need certified copies of the death certificate. You can obtain these through the County Clerk's Office in the county of the deceased's death, or the funeral director may order them for you. The charge varies for these copies.
- ☑ **Retitle property if necessary.** If unencumbered automobiles, boats, other vehicles or real estate are included in the estate, you can transfer titles to the named beneficiary or to yourself as executor. If a beneficiary was not named, as executor, you can decide to sell the property and add the proceeds to the estate. You should consult an attorney before selling or retitling property.
- ☑ **List any indebtedness.** As executor, you are responsible for paying any debts at the time of the deceased's death. Notify all creditors of the death and request they submit claims to the estate. Some things to look for are:
 - Utility payments or bills
 - Hospital, doctor or other medical expenses
 - Loan payments or bills
 - Credit card payments or bills
- ☑ **Close credit union, bank and brokerage accounts, and open an Estate Account.** Any accounts owned solely by the deceased should be closed and the assets transferred to an account that will allow you to settle the deceased's bills and other obligations. You should speak to an attorney before opening an Estate Account.
- ☑ **Locate insurance policies and file claims.** Benefits from life insurance policies are usually payable to designated beneficiaries and are not part of the estate. In order to file claims, you will need the policy numbers, full name of the deceased and certified copies of the death certificate.
- ☑ **File taxes.** Taxes, both Federal and State, will need to be filed for the year in which the deceased passed away and for the year the Estate Account is closed. For advice and/or assistance you may want to consult the IRS.
- ☑ **Close the Estate Account and distribute the remaining assets to beneficiaries.** Distribution of remaining assets to beneficiaries can be made after making sure all estate debts have been paid. After consulting an attorney, you can close the Estate Account.

Important Contact Information

Affordable Funeral Services	703.876.1755
Air Force Casualty Benefits	
Air Force Casualty	800.433.0048
www.afpc.af.mil/library/airforcecasualtyoperations/index.asp	
Arlington National Cemetery	800.535.1117
Army Survivor Benefits	
Army Casualty	800.626.3317
www.hrc.army.mil	
Army-Air Force Mutual Aid Association	800.522.5221
www.aafmaa.com	
Bereavement Counseling	202.273.9116
Vetcenter.bereavement@va.gov	
Coast Guard Headquarters	
Decedent Affairs	
Active Duty/Retired	800.772.8724
www.uscg.mil	
Defense Finance and Accounting Service	800.321.1080
www.dfas.mil	
Department of Veterans Affairs	800.827.1000
Life Insurance	800.669.8477
TDD	800.829.4833
www.va.gov	
IRS	800.829.1010 or 800.829.4933
www.IRS.gov	
Marine Corps Headquarters	
Casualty Assistance	800.847.1597
Marine Locator	800.268.3710
Military Funeral Honors	
Families of eligible veterans may request honors through their funeral director.	
Military Officers Association of America	800.234.6622
www.moaa.org	
National Association for Uniformed Officers	800.842.3451
www.naus.org	

National Cemetery Administration	800.827.1000
Headstones and Markers	800.697.6947
Memorial Programs Service	800.697.6947
Presidential Memorial Certificate Program	202.565.4964
www.cem.va.gov	
National Military Family Association	
NMFA	703.931.6632
www.nmfa.org	
Navy Locator	901.874.5111
Navy-Marine Corps Relief Society	
N&MCRS	703.696.4904
Navy Mutual Aid Association	800.628.6011
www.navymutual.org	
Navy Personnel Command Casualty Assistant Branch	
Active Duty	800.368.3202
www.public.navy.mil	
Office of Servicemembers Group Life Insurance	800.419.1473
www.benefits.va.gov/insurance/sqli.asp	
Social Security Administration	800.772.1213
www.ssa.gov	
Society of Military Widows	800.842.3451 ext. 1011 or 1003
www.militarywidows.org	
Tragedy Assistance Program for Survivors	800.959.8277
www.TAPS.org	
US Treasury	844.284.2676
https://www.treasury.gov/Pages/default.aspx	