

February 3, 2005

H 58. SECURITIES TRANSFER ON DEATH. TO ENACT THE UNIFORM TRANSFER ON DEATH (TOD) SECURITY REGISTRATION ACT. As title indicates, enacts new GS Ch. 41, Art. 4. Provides for registration of securities in "beneficiary form" to transfer on death or be paid on death. Registration is defined as issuance of a certificate showing ownership of a certificated security, or in the case of an uncertificated security, initiation or transfer of an account showing ownership of securities. Beneficiary form is defined as registration that indicates the present owner of the security and his or her intention regarding the person to become the owner when the present owner dies. Upon death of a sole owner or last to die of multiple owners, ownership of securities registered in beneficiary form passes to the beneficiary or beneficiaries who survive all owners. Provides that transfer resulting from registration in beneficiary form is effective by reason of the contract for registration and is not testamentary. The law does not affect estate tax laws and has no effect on ownership of the security until the owner's death. Registration is allowed only for securities in sole ownership or in tenancy in common. Registration may be made when authorized by this law or by a similar statute in the state of the registering entity or owner at the time of registration. Contains protections for registering entities and sets out acceptable language for registration. Clarifies that act does not repeal GS 41-2.2, which applies in making right of survivorship determinations. Amends GS 41-2.2 (joint ownership of corporate stock and investment securities) to provide that term "securities" used in that statute has same meaning as in GS 41-40(9) and includes "security account" as defined in GS 41-40(10). Makes conforming changes. Effective Oct. 1, 2005.

Intro. by Moore, Brubaker, Glazier.

Ref. to Judiciary I

GS 28A, 41

April 12, 2005

H 58. SECURITIES TRANSFER ON DEATH. Intro. 2/3/05. House committee substitute makes the following changes to 1st edition. Makes technical changes only.