

UTMA/UGMA Accounts Past the Age of Majority

UTMA/UGMA Accounts are custodial accounts that allow for the transfer of funds, securities and other assets to minors without the need of setting up a trust. The funds deposited into the account are irrevocable and are transferred to the beneficiary. Upon the beneficiary reaching the age of majority, based on specific state UTMA/UGMA laws, the custodianship terminates. The following procedures are in place to transfer the funds to the beneficiary once they reach the age of majority.

- Accounts will be restricted when an individual reaches the age of majority in the state of residency listed on the account. You will receive an email notifying you of the account restriction.
- A new account will need to be established and assets journaled to the new account. The journal request form must be signed by both custodian and minor who has reached the age of majority.
- To access a list of UTMA/UGMA accounts for Wealthscape, Fidelity and Pershing please see instructions below.

WealthScape - Please refer to **Menu (drop down) > Reports and Alerts > Reports > Reports**. Under Report name type in **Account List Report UTMA UGMA**

Fidelity (IWS) – A list of affected client accounts will be emailed to the advisor of record.

Pershing - Please refer to **Items for Attention > Custodial Accounts > Minors Turning Majority Age**. Accounts appear on this list 60 days prior to the minor turning the age of majority.

FINRA has made it abundantly clear that firms must ensure that improper activity does not occur in UTMA accounts after the beneficiary has reached the age of majority. These procedures are necessary to prevent such activity and to remain within regulatory requirements.

If you have any questions, please contact the Account Services Department at **accountservices@kovacksecurities.com**.