

Aranda v. Seacoast National Bank (In re Aranda)

Case No: 08-26059-PGH

Adv No: 08-01768

The Debtor opened Checking Account 1 on January 22, 2007 as a “Single-Party Account” (as indicated on the signature card). On March 22, 2007, the Debtor and his wife executed a new signature card, adding Debtor’s wife to the account and executing a new signature card that indicated that the account was a “Multiple-Party Account.” Also on March 22, 2007, the Debtor and his wife opened Checking Account 2 as a “Multiple-Party Account” (as indicated on the signature card.” The Debtor later filed a Chapter 11 bankruptcy petition, which was later converted to Chapter 7. On his Schedule C, the Debtor claimed the Checking Accounts as exempt tenancy by the entirety (“TBE”) property. The Trustee sought summary judgment on his *Objection to Debtor’s Claimed Exemptions*, asserting the Checking Accounts are not exempt TBE property under Florida law.

The Court held that Checking Account 1 was not TBE property because the Debtor and his wife did not acquire their interest in the account at the same time. The relevant time for establishing the unities of TBE ownership is when the Debtor opened the Checking Accounts. Thus, the Court rejected the Debtor’s arguments that the unity of time was satisfied by their having contemporaneously executed the Second Signature Card and that it was significant that the Debtor and his wife deposited the funds in Checking Account 1 after they executed the Second Signature Card.

As to Checking Account 2, the Court could not determine the form of ownership of Checking Account 2 based solely on the signature card. The Court rejected the Trustee’s argument that the selection of “Multi-Party Account” on the Signature Cards precluded a finding that the Arandas owned the Accounts as TBE property. Instead, the Court held that if the unities of TBE ownership were present and the debtor could establish that a bank expressly disallowed TBE ownership, then a debtor may prove at trial that he intended to create a tenancy by the entirety account despite an express disclaimer in a signature card.