



## **SHARED HORIZONS' 3<sup>RD</sup> PARTY COMMUNITY TRUST ADMISSION PROCESS**

An Individual Account may be established by ANY THIRD PARTY.

Once initial contact is made expressing interest in the Trust, and it is determined that admissions criteria have been met, the following process will be implemented:

- A) An initial meeting is scheduled with the THIRD PARTY seeking to establish the account, also called the grantor. At the meeting, Shared Horizons will:
- Provide an overview of Shared Horizons and the 3<sup>rd</sup> Party Community Trust
  - Briefly discuss the need for an Estate Plan
  - Review the Joinder Agreement
  - Review the trust procedures and fee schedule
  - Answer questions
- B) The party will be encouraged to seek advice from an Estate Planning attorney prior to signing the Joinder Agreement.
- C) If funding immediately, the party may provide a cashier/bank/certified/escrow check made payable to:

**Shared Horizons 3RD Party Community Trust**  
**MEMO: FBO (for benefit of) [name of beneficiary]**

The Joinder Agreements, checks, supporting documents and all correspondence may be delivered or mailed to:

**Shared Horizons, Inc.**  
**ATTN: 3<sup>rd</sup> Party Trust**  
**4301 Connecticut Avenue, NW, Suite 140**  
**Washington, DC 20008**

## THIRD PARTY COMMUNITY TRUST JOINDER AGREEMENT

EIN: 45-6279857

**This is a binding legal document. Please review carefully before entering this agreement. We encourage you to seek professional advice before signing.**

The undersigned, \_\_\_\_\_, Grantor hereby makes the following contribution(s) to **THE SHARED HORIZONS THIRD PARTY COMMUNITY TRUST (the "Trust")** to be held on the terms and conditions specified in the attached Declaration of Trust (the "Declaration") on this \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_ for the benefit of \_\_\_\_\_ (beneficiary). The Declaration is attached hereto as *Exhibit A* and incorporated herein by reference. By signing this Trust Agreement (the "Agreement"), the Grantor establishes an Individual Account, as described in the Declaration, for the above-named beneficiary.

### I. DEFINITIONS:

- A. **Trust.** "Trust" is the trust established by this agreement.
- B. **Shared Horizons.** "Shared Horizons" is Shared Horizons, Inc., a District of Columbia not for profit corporation serving as trustee.
- C. **Advocate.** "Advocate" is the Quality Trust or any successor as provided in this Agreement.
- D. **Beneficiary.** "Beneficiary" is a person for whom an Account is established.
- E. **Person with Disability; Disabled Person.** For the purposes of the Trust, a "person with disabilities" is an individual who is disabled within the meaning of Section 1614(a)(3) of the Social Security Act, 42 U.S.C. § 1382c (a) (3), or who is likely, to a reasonable degree of medical certainty, to become disabled before attaining the age of sixty-five (65) years within the meaning of the foregoing statute due to an existing medical or mental condition.
- F. **Grantor.** "Grantor" is any person who establishes an Account within this Trust for the benefit of a Beneficiary or who contributes his, her or its own assets to an existing Account within this Trust for the benefit of a Beneficiary, whether such contribution is by gift, devise, bequest, beneficiary designation, contract, agreement court order, or otherwise.
- G. **Representative.** Representative is the person identified in a Joinder Agreement as the person with whom the Trustee is authorized to communicate regarding a Beneficiary and his or her Account. A Beneficiary may have more than one Representative.

- H. **Account.** "Account" is the financial account within the Trust maintained for the benefit of a Beneficiary. The balance of an Account at any time equals the value of the assets contributed on the Beneficiary's behalf by the Grantor less disbursements made on behalf of the Beneficiary, increased by the Account's proportionate share of the Trust's earnings and appreciation, less the Account's allocable share of taxes, expenses, depreciation, and fees as set forth in the Joinder Agreement and as calculated in accordance with the Trust, and such other costs and expenses allocated to the account of the Beneficiary in accordance with the Trust.
- I. **Joinder Agreement.** "Joinder Agreement" is the binding document established by a third party (parent, relative, friend, etc.) in which funds can be transferred to supplement life needs for a person with a disability.
- J. **Trustee.** "Trustee" is the entity then serving as Trustee under Article VIII of this Trust, and its successor or successors.
- K. **Assets.** "Assets" of the Trust shall include both corpus and income of the Trust.
- L. **Governmental Assistance.** "Governmental Assistance" is assistance and benefits provided by any agency of government, Federal, State or local, including the U.S. Social Security Administration and (without limitation) programs under Titles II, XVI and XIX, supplemental Security Income, Medicare and Medicaid (respectively), and similar assistance, benefits and services provided by other agencies of government.
- M. **Special needs.** "Special needs" are the requisites for maintaining the health, safety and welfare of a Beneficiary when, in the discretion of the Trustee, such requisites are not available from a public agency, office or department of the state where he resides or from the Federal government.
- N. **Internal Revenue Code.** "Internal Revenue Code" is the Internal Revenue Code of 1986 as amended from time to time.

**II. GRANTOR INFORMATION**

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Name of Grantor	Relationship to Beneficiary
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Address

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Telephone #	E-mail Address
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**III. BENEFICIARY INFORMATION**

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Name of beneficiary	Date of Birth	Social Security #
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Address

Please describe the Beneficiary's disability:

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What is the Beneficiary's current prognosis?

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**IV. BENEFITS**

Please check all Governmental Assistance benefits the Beneficiary currently receives:

- SSI (SUPPLEMENTAL SECURITY INCOME)      How much per month? \_\_\_\_\_
- MEDICAID       HUD/Section 8
- SSDI (SOCIAL SECURITY DISABILITY)      How much per month? \_\_\_\_\_
- MEDICARE
- OTHER BENEFITS

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**V. FUNDING INFORMATION**

A. Please indicate the time at which the sub-account will be funded:

- Immediate (when opening the account)
- Future (a copy of the Will and/insurance policy must be provided)

Please indicate the anticipated source of funds:

- Cash
- Life Insurance
- Bequest
- Distribution from a trust
- Real Estate
- Stocks or Bonds

A copy of sourced documents must accompany this Joinder Agreement.

B. Anticipate Funding Amount: \$ \_\_\_\_\_

**VI. DESIRED USE OF TRUST**

A. What is your expected timeline for this sub-account? \_\_\_\_\_

B. Distributions to or for Beneficiary (initials of Grantor required)

\_\_\_\_\_ I understand that the income and principal will be distributed for the beneficiary at the Trustees' discretion

CHOOSE ONE:

\_\_\_\_\_ The Grantor's intent is that the Trust Fund be available as needed for the benefit of the beneficiary

OR

\_\_\_\_\_ The Grantor's intent is that the Trust Fund last during the beneficiary's projected life expectancy.

Although all distributions are at the Trustees' discretion, the Grantor identifies the following list of desired distributions:

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The Grantor also prohibits the following disbursements:

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C. \_\_\_\_\_ The Grantor agrees to the Fee Schedule and understands it will be reviewed annually and adjusted periodically by the Shared Horizons' Board of Directors.

**VII. DISTRIBUTIONS UPON THE DEATH OF THE BENEFICIARY:**

Please provide your instructions for final distributions, should funds remain in the sub-account upon the Beneficiary's death. This can include Shared Horizons, Inc, the non-profit organization administering the Third-Party Trust, as well as, the Wesley Vinner Memorial Trust. Gifting even

a portion of the remainder will help us continue our charitable mission. However, including Shared Horizons in the final distribution is not required.

I, \_\_\_\_\_, Grantor, acknowledge the following distributions upon the beneficiary's death:

- The Trust shall retain the portion of the remainder that represents the total annual fees due the Trustee for the annual or calendar billing period in which the Beneficiary died

1<sup>st</sup> Remainder Information:

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Name	Telephone
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Address

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Date of Birth	Social Security # or Federal ID #
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Percentage: \_\_\_\_\_%

2<sup>nd</sup> Remainder Information:

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Name	Telephone
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Address

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Date of Birth	Social Security # or Federal ID #
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Percentage: \_\_\_\_\_%

3<sup>rd</sup> Remainder Information:

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Name	Telephone
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Address

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Date of Birth	Social Security # or Federal ID #
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Percentage: \_\_\_\_\_%

If you name more than one Remainder beneficiary, please be sure the total percentages add up to 100%. If you do not name a Remainder beneficiary, Shared Horizons, Inc. will retain remaining funds.

## VIII. ACCOUNTS

- 8.1. **Accounts.** A separate Account shall be maintained for each Beneficiary. For purposes of investment and management of funds, the Trustee may pool the Accounts for all Master Pooled Trusts of which it is then the Trustee. The Trustee shall maintain records for each Account in the name of and showing the assets contributed for each Beneficiary, along with increases in and expenditures and costs of such Account.
- 8.2. **Fees and Expenses.** The fees and expenses associated with each Account shall be charged in the manner described in the Joinder Agreement or as established by the Trustee from time to time.
- 8.3. **Annual Reports.** For accounting purposes, the Trust and each Account shall be operated on a calendar year basis. The Trustee shall provide periodic accountings at least annually to each Grantor, conservator or guardian (if any), Representative and, if so, provided in the Joinder Agreement, to the Beneficiary. These annual reports shall show all receipts, disbursements, and distributions to or from such Account during the previous year. The Trustee shall also cause to be prepared on behalf of each Account in accordance with the actual time and expense incurred for the preparation of such tax returns and / or reports for that Account.
- 8.4. **Income Taxation Reporting.**
- (A) For each Account that is a grantor trust under the Internal Revenue Code, the annual report provided under Section 8.3 shall be provided on a calendar year basis by February 28 or 29 of the succeeding year. The individual who is the grantor of the Account for Federal income tax purposes shall provide the Trustee with a tax identification number which may, but does not need to be, the individual's Social Security number. The Trustee shall report all distributions of income as required by law. The Grantor, by execution of the Joinder Agreement, indemnifies the Trustee from all claims for income tax liabilities attributable to his or her Account which is taxed as a grantor trust under the rules of the Internal Revenue Code.
- (B) For each Account that is not a grantor trust under the Internal Revenue Code, the Trustee shall file an income tax return and shall pay with Account assets any taxes the liability for which arises due to the income of the Account.
- 8.5. **Account Records Available for Inspection.** The records of each Account shall be available at all reasonable times for inspection by any person entitled to an Annual Report under Section 8.3. The Trustee shall not disclose information about an Account except to a person entitled by law thereto.
- 8.6. **The initial Representative shall be a party identified by the Grantor(s) and may change from time to time by the Grantor(s) or a representative after their death.**  
The Grantor names the following person or people as representative to act on behalf of the Beneficiary named in this Trust document:

Beneficiary Name: \_\_\_\_\_

1st:

\_\_\_\_\_  
NAME/RELATION TELEPHONE#  
\_\_\_\_\_  
ADDRESS

2nd:

\_\_\_\_\_  
NAME/RELATION TELEPHONE#  
\_\_\_\_\_  
ADDRESS

3rd:

\_\_\_\_\_  
NAME/RELATION TELEPHONE#  
\_\_\_\_\_  
ADDRESS

IN WITNESS, WHEREOF, the undersigned Grantor has signed this Joinder Agreement on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and the Trustee has accepted and signed this Joinder Agreement on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**GRANTOR'S SIGNATURE:**

\_\_\_\_\_  
Grantor Signature

\_\_\_\_\_  
Grantor Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

**THE SHARED HORIZONS THIRD PARTY POOLED SPECIAL NEEDS TRUST**

By: \_\_\_\_\_  
Signature of Executive Director

Yolanda Mazyck, Executive Director  
Print Name

4301 Connecticut Avenue NW, STE 140  
Washington, DC 20008  
202-448-1460



# **EXHIBIT A**

## **Master Trust Document**

## SHARED HORIZONS THIRD PARTY POOLED TRUST

### PREAMBLE

WHEREAS, Shared Horizons, Inc., a non profit corporation, pursuant to the Omnibus Budget Reconciliation Act of 1993 (“OBRA 1993”), established and is currently managing a master pooled special needs trust for the convenience of individual grantors (“Grantors”) who have established Sub-Accounts for beneficiaries with disabilities within the trust;

WHEREAS, Shared Horizons, Inc., intends to serve as trustee of a third party pooled special needs trust, such that the Trustee will have complete discretion over disbursements from a Sub-Account for a Beneficiary without making the Sub-Account a countable resource of that Beneficiary; and

WHEREAS, Shared Horizons, hereby creates a Third-Party Pooled Special Needs Trust so that the Shared Horizons, serving as trustee, shall have the discretion to make, and flexibility in making, disbursements and distributions for the Beneficiary; and

NOW THEREFORE, this Declaration and Trust Agreement is hereby created and stated in its entirety to read as follows:

### ARTICLE I Trust Name

1.1 The name of this Trust shall be The **SHARED HORIZONS 3RD PARTY COMMUNITY TRUST**.

### ARTICLE II Definitions

2.1. Trust. “Trust” shall mean the trust established by this agreement.

2.2. Shared Horizons. “Shared Horizons” shall mean Shared Horizons, Inc., a District of Columbia not for profit corporation.

2.3 Manager. “Manager” shall mean the Quality Trust or any successor as provided in this Agreement.

2.4 Beneficiary. “Beneficiary” shall mean a “person with a disability or disabilities or a disabled person for whom a Sub-Account is established.

2.5 Person with Disabilities; Disabled Person. A “person with disabilities” is an individual who would meet the official definition of a person with disabilities under Section 1614(a)(3) of the Social Security Act (42 USC § 1382c (a) (3)), and includes but

is not limited to a person with disabilities who qualifies under 42 USC § 1396p amended August 10, 1993, by OBRA 1993, as amended.

2.6 Grantor. “Grantor” shall mean any person or entity, that establishes a Sub-Account within this Trust for the benefit of a beneficiary and that contributes his, her or its own assets to an existing Sub-Account of the third party trust for the benefit of a Beneficiary, whether such contribution is by gift, will, beneficiary designation, contract, or agreement or pursuant to a court order.

2.7 Representative. Representative shall mean the person named in the Joinder agreement with whom the trustee is authorized to communicate regarding the beneficiary’s interests.

2.8 Sub-Account. “Sub-Account” shall mean the financial account within the Trust maintained for the benefit of an individual Beneficiary and shall be equal to the initial value of the assets contributed on the Beneficiary’s behalf by the Grantor less disbursements made on behalf of the Beneficiary, increased by the Sub-Account’s proportionate share of the Trust’s earnings and appreciation, less the Sub-Account’s allocable share of taxes, expenses, depreciation, and fees as set forth in the Joinder Agreement and as calculated in accordance with this Trust.

2.9 Joinder Agreement. “Joinder Agreement” shall mean that the agreement attached to this Declaration as appendix 2, which provides information about the beneficiary, the Grantor, the Guardian (if any), and the Primary Representative of the Beneficiary, as well as information about disbursements from the Beneficiary’s Sub-Account and annual costs associated with the Trust and which sets forth other issues regarding the relationships among the Trustee, and Grantors.

2.10 Trustee. “Trustee” shall mean the entity then serving as Trustee under Article VII of this Trust, and its successor or successors.

2.11 Assets. “Assets” of the Trust shall include both corpus and income of the Trust.

2.12 Governmental Assistance. “Governmental Assistance shall mean assistance and benefits received through the Social Security Administration, including Supplemental Security Income, through Medicaid, through Medicare, through services provided or authorized or licensed by the appropriate state and federal agencies.

2.13 Internal Revenue Code. “Internal Revenue Code” shall mean the Internal Revenue Code of 1986, as amended, and as in effect from time to time.

### **ARTICLE III** **Trust Purpose**

3.1 **Intent.** It is the intention of Shared Horizons, Inc., which is declaring this Trust, to establish Sub-Accounts for persons with disabilities, and to have Sub-Accounts administered in accordance with the terms of this Trust. It is also Shared Horizons' intent that the assets of a Sub-Account cannot be used to satisfy claims of the creditors of the beneficiary of that Sub-Account (except as may be required under the law of the state of the beneficiary's domicile and residence). Sub-Accounts established under this Trust agreement shall be established and funded only with property that belongs to persons other than the Beneficiary. Disbursements of income and corpus of the Sub-Accounts shall be available to the Beneficiary only when the trustee in its complete and absolute discretion elects to disburse such amounts of such funds, up to and including the entire balance of the Sub-Account, for the health, education, maintenance and support of the Beneficiary. The Trustee shall to the extent reasonable and advisable, may make disbursements from the Sub-Account even though such distributions will reduce the Beneficiary's governmental assistance or result in the Beneficiary's ineligibility for governmental assistance. Further, to the extent necessary and appropriate, the Trustee may help the Beneficiary obtain governmental assistance and use the Sub-Account for the purpose of paying the costs of such process or hiring professionals to assist the Beneficiary with said process. Any determination made by the Trustee in good faith as to the manner in which or the extent to which the powers granted by this Trust shall be exercised shall be binding and conclusive upon all persons who might then or thereafter have or claim any interest in the Trust assets and the Trustee shall bear no liability for making distributions in accordance with this Section that result in a reduction, loss, or denial of governmental assistance.

3.2 **Purpose and Objective of the Trust.** The principal purpose and objective of this Trust is to provide a system for the management, investment and disbursement of Trust assets to promote each Beneficiary's comfort and happiness by providing for each Beneficiary from his or her Sub-Account (or from any undesignated amounts that have been contributed to the Trust) and grant authority to the Trustee to make distributions for such Beneficiary's health, education, maintenance and support, and other needs. Sub-Accounts are not established with the intent that the funds will be sufficient to meet all of the Beneficiary's needs during his or her lifetime. Assets contributed by a Grantor for a Beneficiary shall be invested, reinvested, and administered as a Sub-Account in the name of and for the benefit of that Beneficiary.

### **ARTICLE IV** **Disbursements**

4.1 **Discretionary Trust: Health, Education, Maintenance, Support and Other Needs.** The Trustee shall make disbursements from a Beneficiary's Sub-Account in such amounts, even to the extent of any remaining balance, as shall be directed by the Primary Representative, within the Primary Representative's sole discretion for health, education,

maintenance, support and other needs of a Beneficiary, or may refuse to make disbursements as directed by the Primary Representative in the Trustee's sole discretion.

A. Discretion. In exercising discretion to expend income or principal under this Article, the Trustee shall give such consideration, as the Trustee deems appropriate, to all other income and resources which the Trustee knows to be then readily available to the beneficiary for use for such trust purposes. All decisions of the Trustee as to the person or persons to whom, and the purposes for which, such payments are to be made, and the amount or amounts, if any, to be paid out under this paragraph, are within the Trustee's discretion and shall be final and incontestable by anyone.

B. Special Needs. The trustee may apply the trust estate for the "special needs" of the Beneficiary. As used in this Trust, "special needs" includes the requisites for maintaining the health, safety and welfare of the Beneficiary when, in the discretion of the Trustee, such requisites are not available from a public agency, office or department of the state where he resides or from the federal government.

C. Loans. Any distributions made to the Beneficiary which would otherwise disqualify him for benefits identified by the Trustee may be treated as a loan to the Beneficiary and the Trustee shall make reasonable arrangements for the repayment of said loan.

D. Excluded Resources. The Trustee shall have the authority to expend trust income and/or principal on resources which are "excluded resources," including but not limited to a residence or an interest in a residence, a vehicle, and a prepaid burial plan, for purposes of government benefits qualification, regardless of whether such investments meet the Trustee's normal standard for investments. The Trustee may hold these items in the name of the Trust or may put title in the name of the Beneficiary, except that any vehicle purchased for the benefit of a beneficiary may be titled in the name of either or both parents of the Beneficiary or his legal guardian.

4.2 Disbursements. The Trustee, at the Primary Representative's direction or in the absence of such direction in its sole discretion, may make any payments or disbursements under the Trust as follows: (a) directly to a Beneficiary's representative, the guardian or conservator of the beneficiary's person or estate, or to the Beneficiary, (b) in any form allowed by law, (c) to any person deemed suitable by the Trustee, or (d) by direct payment of a Beneficiary's expenses. A distribution from a sub account shall not exceed the sum of all contributions made to such Beneficiary's Sub-Account, plus changes in income or principal allocated to the Sub-Account from the Trust funds, net of all distributions and duly attributable costs. Nonetheless, the trustee may make a distribution in exhaustion of the Sub-Account; the Trustee having no further obligation to make disbursements to or for the benefit of the beneficiary whose Sub-Account has been exhausted.

4.3 Income Taxation of a Sub-Account. In all cases the trustee shall have the authority to pay such income taxes as may be due with regard to the beneficiary.

4.4 Spendthrift Provisions. To the fullest extent permitted by law, this Trust and each Sub-Account there under shall be a spendthrift trust and no part of this Trust, whether principal or income, shall be subject to anticipation or assignment by any Beneficiary; nor shall it be subject to attachment or control by any public or private creditor of a Beneficiary; nor may it be subject to any judicial process or levy against any Beneficiary by any voluntary or involuntary creditor, including those that have provided for the Beneficiary's health, education, maintenance, and support, before assets of this Trust have actually been paid or disbursed to such Beneficiary. Under no circumstances may any Beneficiary compel a disbursement from the Trust. This provision applies so long as any trust property is in the hands of the Trustee in such Trustee's fiduciary capacity regardless of whether or not an event requiring a distribution to a beneficiary has occurred.

## **ARTICLE V** **Establishment of Trust**

5.1. Initial Funding. Shared Horizons, Inc. has previously funded this Trust with a lump sum payment of One Hundred Dollars and No Cents (\$100.00) and has delivered these funds to the Trustee as of the day and year when this Trust was executed.

5.2. Trust Estate. The Trust estate shall consist of the initial cash contribution by Shared Horizons, Inc. and any additional contributions made to the Trust estate at any time by the Grantor in accordance with the provisions of Article V and the sum of the individual Sub-Accounts.

5.3. Effective Date. This Trust was established by Shared Horizons, Inc. as of the day and year when it was adopted. The Trust shall be effective as to any Grantor or Beneficiary upon (a) execution of a Joinder Agreement by a Grantor or adoption of a Joinder Agreement by a Court order, (b) certification of the Joinder Agreement by the Primary Representative and approval by the Trustee, and (c) Grantor's delivery to the Trustee, and the Trustee's acceptance of assets. Grantors' contributions are discussed further in Article VI, below.

## **ARTICLE VI** **Contribution of Assets**

6.1. Trust is Irrevocable Upon Acceptance of Assets by Trustee. Upon delivery to and acceptance by the Trustee of assets acceptable to the Trustee, the Trust and each Sub-Account that is hereafter created shall be (and that was previously created became) irrevocable and the contributed assets shall not be refundable. By execution of the Joinder agreement, each Grantor acknowledges that upon funding of a Sub-Account of this Trust, that Grantor shall have no further interest in and does thereby relinquish and

release all rights in, control over, and all incidents of interest of any kind or nature in and to the contributed assets (including the original contribution to the Trust and any and all subsequent additions to the Trust) and all income thereon.

6.2. Assets Designated for Future Transfer. Assets or interests in assets can be designated for future transfer by a Grantor as a contribution. Such designation may be revocable and can be revoked by a Grantor as to such assets at any time during the Grantor's lifetime and continued capacity to revoke. Examples of such contributions include a policy of life insurance on a Grantor's life in which the Sub-Account for a Beneficiary under the Trust is designated as a beneficiary or a Sub-Account under this Trust being named as a beneficiary of any future interest in assets, such as that which would pass under the terms of a Grantor's last will.

## **ARTICLE VII** **Sub-Accounts**

7.1. Sub-Accounts. A separate trust Sub-Account shall be maintained for each Beneficiary, but, for purposes of investment and management for funds, the Trustee may pool the Sub-Accounts for all Master Pooled Trusts of which it is then the Trustee. The Trustee or authorized agents shall maintain records for each Sub-Account in the name of and showing the assets contributed for each Beneficiary, along with increases in and expenditures and costs of such Sub-Account.

7.2. Fees and Expenses. The fees and expenses associated with each Sub-Account shall be charged in the manner described in the Joinder Agreement or as established by the Trustee from time to time.

7.3. Annual Reports. For accounting purposes, the Trust and each Sub-Account thereof shall be operated on a calendar year basis. The trustee shall provide periodic accountings at least annually, to each Grantor while such Grantor is living (and if the Joinder Agreement was executed pursuant to court order, then to the Guardian, or court, or other person designated in such court order as the one with the authority to sign the Joinder Agreement), and thereafter to each Beneficiary (or to his or her Primary Representative), showing all receipts, disbursements, and distributions to or from such Trust Sub-Account during the previous calendar year. The Trustee or agents thereof shall also cause to be prepared on behalf of each Sub-Account in accordance with the actual time and expense incurred for the preparation of such tax returns and / or reports for that particular Sub-Account.

7.4. Income Taxation. Unless the grantor trust rules of the Internal Revenue Code apply, each Sub-Account shall be treated as a non-grantor trust for income tax purposes, pursuant to the rules and regulations promulgated under Sections 671 *et seq.* of the Internal Revenue Code. Generally, a Sub-Account will be treated as a "grantor trust" if the Beneficiary himself or herself, his or her guardian, or other authorized Representative of the Beneficiary or any other person on behalf of the Beneficiary deposits assets or properties belonging to that Beneficiary to the Sub -Account for that Beneficiary. If the

Sub-Account is treated as a grantor trust for federal income tax purposes, the reporting of the income of the Sub-Account and taxation thereon shall be subject to provisions of **Section 7.3** of this Trust. The federal income tax return for any Sub-Account that is treated as a grantor trust shall be an informational return only. Such informational return shall report to the Internal Revenue Service all allocable income, gains, or losses which are required to be reported on the Grantor's federal income tax return. Any Sub-Account which is not a grantor trust will file its own federal income tax return and any taxes assessed against the income of the Sub-Account shall be paid from and out of the Sub-Account assets and properties. The Grantor, by execution of the Joinder Agreement, indemnifies the Trustee from any and all claims for income tax liabilities attributable to his or her Sub-Account which is taxed as a grantor trust under the rules of the Internal Revenue Code. The Beneficiary and the Primary Representative shall be responsible for completing, signing, and mailing the annual income tax returns for the Beneficiary which are applicable to any income of the Sub-Account passed through and taxable directly to a beneficiary under the rules and regulations of the Internal Revenue Code.

7.5. Sub-Account Records Available for Inspection. The records of each Sub-Account shall be available at all reasonable times for inspection by the by the Beneficiary of that particular Sub-Account, and by his or her Primary Representative, or both. The Trustee shall not be required to furnish Trust records or documentation to any individual, corporation, or other entity who is not the Beneficiary or who does not have the express written approval of the Beneficiary to receive such information, or who is not the Primary Representative of the Beneficiary.

## **ARTICLE VIII** **Trustee's Role**

8.1. Trustee's Reliance on Primary Representative. The Trustee shall be authorized to rely on the Primary Representative's directions.

8.2. Resignation or Removal. The Trustee may resign for any reason, at any time, provided that the Trustee gives ninety (90) days' advance notice to the Manager and Primary Representatives of its intention to resign. The Trustee may be removed by a Court of competent jurisdiction upon petition of the Manager.

8.3. Successor Trustee. If the Trustee resigns or is removed, the Manager shall select and appoint a Successor Trustee. The Successor Trustee must be an incorporated entity doing business in the District of Columbia. Any successor Trustee shall act as such without any liability for the acts or omissions of any predecessor Trustee. Any corporation that shall succeed (by purchase, merger, consolidation, or otherwise) to all or the greater part of the assets of any corporate Trustee shall succeed to all the rights, duties and powers of such corporate Trustee as Trustee of this Trust.

8.4. Trustee Powers. The Trustee shall have full power and authority in its absolute discretion, without recourse to any court or any notice whatsoever, to do all acts and things necessary to accomplish the purposes of this Trust, and to perform the



Trustee's duties as such and to receive, hold, manage and control all the income arising from such Trust and the corpus thereof and to do such other acts or things concerning the Trust as may be advisable. The Trustee is authorized and empowered in the Trustee's discretion to act without order of any Court, as follows:

A. To retain as an investment for the trust and in the same form as received by the Trustee, all or any of the property hereby or hereafter given to the Trustee or which may be distributed to the Trustee; and

B. to prudently manage, invest and reinvest the trust and each and every part thereof, with power, in the Trustee's discretion to purchase or otherwise acquire every kind of property, provided that trust investments are limited to prudent investments, and that no trust property may be held as an on-going business or enterprise or held as investments in new or untried enterprises; further provided that the only real property in which the trust may invest is one home property, to be used as a residence by the beneficiary and to be titled in the name of the trust, and

C. to buy, sell and trade securities, subject to Paragraph B below,

D. to hold real or personal property of the trust in the name of a nominee or nominees, including depository institutions, with or without indicating the trust character of said property, so that title to such property may pass by delivery; and

E. to give general or special proxies or powers of attorney for voting or acting with respect to shares or securities, which proxies or powers may be discretionary and with power of substitution; to deposit shares or securities with, or transfer them to, protective committees or similar bodies; to join in any reorganization or liquidation and to pay assessments or subscriptions called for in connection with share or securities held by the Trustee; and

F. to improve real estate; to construct, alter or repair buildings or structures on real estate; to settle boundary lines and easements and other rights with respect to real estate; and to improve, develop, manage or abandon any trust assets, as the Trustee deem advisable.

G. to sell, convey, exchange, lease, borrow, hypothecate for the debts of the trust or the joint debts of the trust and a co-owner of trust property, and to do and perform any and all other acts and things deemed by the Trustee necessary or advisable in the management, investment and reinvestment of the trust estate that may be done by an absolute owner of property provided that the Trustees may not self-deal by selling or buying trust property to or from themselves; and

H. to employ attorneys, independent investment advisor, accountants, bookkeepers, custodians, brokers, agents, consultants, expert witnesses, or other

persons to render services for the Trustee or on the Trustee's behalf with respect to all matters pertaining to the trust and to pay the reasonable fees and compensation of such persons for their services as an expense of administration of the trust; and

I. to determine, in the exercise of reasonable discretion and in accordance with generally accepted accounting principles, whether all or any part of any payment or property received, or charge or expense (including taxes) incurred, shall be credited to or charged against income or principal, or both; and

J. to lend money to any person (other than the Trustee) or entity to guarantee or endorse loans made by others for such consideration and upon such terms as to interest, security or otherwise as the Trustee deems proper and the Trustee shall not be liable for loss to the trust or to any beneficiary for any default or failure of any borrower to repay any such loan or loans, and to lend trust funds to such persons and on such terms, including (but not limited to) interest rates, security, and loan duration, as the Trustee deems advisable; provided, however, that the Trustee may neither lend money without receiving adequate security and an adequate rate of interest nor loan trust funds to themselves; and that such loans shall either terminate or become due and payable upon the death of the beneficiary.

K. to make any payment, division, or distribution required by this agreement in money, in kind, or partly in money and partly in kind; and

L. to pay and advance money for the Trust's protection for all expenses, losses and liabilities sustained in its administration; and

M. to prosecute or defend any action for the protection of the Trust, the Trustee in the performance of the Trustee's duties, or both, and to pay, contest or settle any claim against the Trust or the Trustees.

N. Special Provision Concerning Residential Property. If, at any time, any property which the Beneficiary occupies as a personal residence (whether or not such property is their principal residence), or any interest in any such residence, becomes subject to the provisions of this trust, the trustee may permit the Beneficiary and any care giver or family members living with the Beneficiary to occupy said residential property or properties without obligation to pay rent. In addition, the trustee is authorized to pay all real property taxes, expenses of insurance, maintenance, and repair from the net income or principal of the trusts created hereunder in proportion to the Beneficiary's interest in each such residence.

8.5. Limits of Trustee Authority. No authority described in this Trust or available to trustees pursuant to applicable law shall be construed to enable the Trustee to purchase, exchange or otherwise deal with or dispose of the assets of any Trust Sub-Account for less than an adequate or full consideration in money or money's worth, or to enable any person to borrow the assets of any Trust Sub-Account, directly or indirectly, without adequate interest or security.

8.6. No Bond Required. The Trustee shall not be required to furnish any bond for the faithful performance of the Trustee's duties. If bond is required by any law or court of competent jurisdiction, no surety shall be required on such bond.

8.7. No Court Supervisions. The trust established under this Declaration of Trust shall be administered free from the active supervision of any Court.

8.8. Trustee Compensation. The Trustee shall be entitled to reasonable compensation, commensurate with the services actually performed, the standards of the industry, the skills of the Trustee, the resources of the Trustee and the risks undertaken by the Trustee with notice to the Manager annually and to each beneficiary at the time the Joinder agreement is signed.

8.9. Trust's Defense Costs and Expenses. Costs and expenses of defending the Trust from any claim, demand, legal or equitable action, suit, or proceeding may either be charged on a pro-rata basis to all Trust Sub-Accounts, or be charged only against the Sub-Accounts of the affected Beneficiaries.

## **ARTICLE IX** **Manager**

9.1. Manager. The Quality Trust, Inc., shall initially be the Manager of the Trust. The Manager shall perform such acts and duties as set forth in this agreement and otherwise as the Trustee and the Manager shall mutually agree.

9.2. Resources. The Manager may have access to the corporate records of the Trustee and may seek the advice and assistance of any Grantor, Primary Representative, Guardian or Guardians of any Beneficiary.

9.3. Liability. The Manager shall not be liable to any Beneficiary for failure to identify any program or resource that may be available to such Beneficiary because of his or her Beneficiary.

9.4. Successor Manager. In the event of the resignation of the Manager or the inability or unwillingness of the Manager to serve, the Board of Directors of Shared Horizons, Inc. may select, designate and appoint a successor Manager. Such successor Manager shall be a not for profit organization that meets the requirements of Section 501(c) of the Internal Revenue Code and shall serve as an advocacy group, in whole or in part, for the needs of persons with disabilities.

**ARTICLE X**  
**Advisory Committee**

10.1. Advisory Committee. There shall be an advisory committee appointed for the purpose of providing advice, assistance, and information to the Trustee and the Manager in the administration of the Trust.

10.2. Members of the Advisory Committee. The Board of Directors of the Trustee and of the Manager shall each appoint an equal number of members of an advisory committee. At least one of the designated members of the Advisory Committee designated by the Trustee and the Manager shall be a member of the board of directors of each respective organization and another shall not be a member of the board of directors of each respective organization. The members of the advisory committee shall designate one additional person to serve on said advisory committee who shall not be a member of the board of directors of either the Trustee or the Manager. There shall be a minimum of five members and a maximum of nine members of the advisory committee.

10.3. Meetings of the Advisory Committee. The Advisory Committee shall meet no less often than once per year. Reasonable travel expenses for each member to attend and participate in such meetings shall be reimbursable by the Trustee and charged to the administration of the trust.

10.4. Indemnification. The provisions of Section 11.2 shall apply to members of the Advisory Committee. Members of the Advisory Committee shall have no liability to any party for any omission or acts in providing advice, assistance or information to the Trustee and Manager.

**ARTICLE XI**  
**Status of Trustee**

11.1. Acknowledgment of Grantors. The Grantor(s) acknowledge, by their signing of the Joinder agreement, that the Trustee is a not for profit institution and is not licensed in the field of financial planning, asset management or psycho/social services. The Trustee, its agents and employees, as well as its agent's and employees' heirs and legal representatives shall not in any event be liable to any Grantor or Beneficiary or any other party for its acts as Trustee so long as such acts were not grossly negligent or constitute malfeasance.

11.2. Scope of Indemnification. The Trustee, the Manager, and their respective agents, employees, officers, and directors, as well as their heirs, successors, assigns, and personal representatives of such parties shall be and hereby are indemnified by the Trust and the Trust assets against all claims, demands, liabilities, fines or penalties and against all costs and expenses (including attorney's fees and disbursements and the cost of reasonable settlements) and expressly including claims for the negligence of the

indemnified parties and their agents, officers, employees and directors imposed upon, asserted against or reasonably incurred thereby in connection with or arising out of any claim, demand, action, suit, or proceeding in which he, she, or it may be involved by reason of being or having been a Trustee or Manager or member of the Advisory Committee, whether or not he, she or it shall have continued to serve as such at the time of incurring such claims, demands, liabilities, fines, penalties, costs or expenses or at the time of being subjected to the same.

## **ARTICLE XII** **Irrevocability**

12.1. Trust is Irrevocable. This Trust, and each Sub-Account, is irrevocable. The Manager and the Trustee do not and cannot know how future developments in the law, including administrative agency and judicial decisions, may affect the Trust and each Sub-Account. This Trust may be amended by the Manager and the Trustee at their concurrence and direction, in such ways as the Manager and the Trustee deem appropriate and consistent with the purposes and objectives set forth in this Trust so as to comport with any changes in the law, applicable regulations or factual circumstances that impact this trust and its Beneficiaries. Such amendment shall not be made until notice of such changes is duly given to each Beneficiary and/or his or her Representative.

12.2. Prohibited Amendments. Neither the Trustee nor the Manager shall seek a proposed amendment to this Declaration of Trust that would: (a) alter the purposes or objectives of the Trust, (b) make gifts revocable that are otherwise irrevocable under this Trust or the Joinder Agreement, or (c) change the duties of the Trustee without the Trustee's consent.

## **ARTICLE XIII** **Termination**

13.1 Sub-Account Termination. A Sub-Account shall automatically terminate if all its assets are distributed to or for the benefit of the Beneficiary or upon the death of the Beneficiary. The Trustee in its discretion may distribute all or any portion of the assets in a Trust Sub-Account to such party designated in the Joinder Agreement by the grantor to receive distributions in the event of an early termination if in the Trustee's discretion it becomes impossible or impractical to fulfill the conditions of the Trust with regard to the respective Beneficiary for reasons other than the death of the Beneficiary.

13.2. Distribution of Remainder Interest Upon Death of Beneficiary. Upon the death of a Beneficiary, any amounts remaining in the Beneficiary's Trust Sub-Account ("the Remainder") shall be distributed as follows, to the extent that there are funds remaining:

A. First, the Trust shall retain the portion of the remainder that represents the total annual fees due the Trustee for the annual or calendar billing period in which the Beneficiary died; and

B. Second, the Trust shall retain the portion of the remainder that is designated in the Joinder agreement as intended to pass for the benefit of the Trust, to be added to the Trust; and

C. Third, to the person or persons designated in the Joinder agreement as the recipient of the remainder of the Sub-Account designated by the Grantor in the Joinder agreement.

13.3. Termination of Trust. If it becomes impossible or impractical to carry out the Trust's purposes with respect to all or substantially all Beneficiaries, the Trustee may with the consent of the Manager, terminate the Trust and distribute the Trust assets in each beneficiary's Sub-Account to a similarly constructed and situated third-party special need trust.

13.4. Rule Against Perpetuities. This trust is perpetual subject to section 13.3 above and shall be construed under the laws of the (District of Columbia/State of Maryland) and shall not be limited by any rule against perpetuities construed as limiting the life of a trust.

#### **ARTICLE XIV** **Miscellaneous Provisions**

14.1 The following additional provisions govern the administration of each trust created under this agreement:

A. As long as the Trustee is located in the District of Columbia, the validity of this trust, and the construction of its beneficial provisions, shall be governed by the laws of the District of Columbia then in force. If the Trustee moves to another jurisdiction, the Trust shall be construed, governed and administered in accordance with the laws of that jurisdiction.

B. For all purposes under this agreement, an adult is a person over age 18.

C. The headings of articles, paragraphs and subparagraphs appearing herein are for convenience of reference only and shall have no significance in the construction or interpretation of this agreement.

D. If any provision of this agreement is unenforceable, the remaining provisions shall nevertheless be carried into effect.

E. The masculine, feminine and neuter genders, and the singular and plural numbers, each includes the others where the context requires.

F. For all purposes under this agreement, legal adoption is the equivalent of blood relationship.

Trustee:

Enjume  
PRESIDENT.

County of MONTGOMERY )  
State of MARYLAND ) ss:

On MAY 12<sup>th</sup>, 2010 before me, the undersigned, a Notary Public for MARYLAND  
*Approved* the Trustee EMAN J. KRAUSE personally appeared known to me (or  
proved to me on the basis of satisfactory evidence) to be the persons whose names are  
signed as Trustee of the within and foregoing trust agreement and acknowledged to me  
that they executed the same.

WITNESS my hand and official seal.

[Signature]

Notary Public

My commission expires:



Edward M. Biggin  
NOTARY PUBLIC  
Montgomery County  
State of Maryland  
My Commission Expires  
February 6, 2012

## Shared Horizons, Inc. Pooled Special Needs Trust Fee Schedule

**Standard Minimum Deposit is \$5,000**

**Enrollment Fee** **\$1,300**

The enrollment fee is a **one-time fee** that covers the cost of setting up the initial account. This fee is paid upon execution of the Joinder Agreement with each participant.

**Annual Fees**

The annual fee covers basic Trust Management including: monthly account review, reconciliation, and limited disbursements (4/month or 48/year). The Annual Fee is below, is based on the sub-account balance at the beginning of each quarter, then divided by 4 (number of quarters) and assessed quarterly.

*Example: annual fee is \$700 ÷ 4 quarters = \$175. Your quarterly fee assessed will be \$175 for that period.*

Balances of \$45,001 and up .....	1.7% of balance
\$25,001 to \$ 45,000 .....	\$700 flat fee
\$10,001 to \$ 25,000 .....	\$600 flat fee
\$0 to \$ 10,000 .....	\$500 flat fee

**Income Streams/Additional Deposits:** \$25 per deposit or 5% per payment, if greater.

Income Streams are additional deposits and payments from annuities, structured settlements, and spousal maintenance.

**Year-End Tax Filings** (K-1, IRS Form 1041 & Grantor Letter): \$125 (assessed JAN/FEB)

**Extended Services**

- Trust Disbursements more than 4/month - \$25 per transaction
- Personal shopping, online orders, product/facility research, and gift card requests - \$25/request
- Beneficiary Assessment – Quality of Life Planning Meeting (at the Trustees discretion): \$250 - \$500
- PEX Card (Personal Exchange Debit Card)
  - Annual Membership - \$100/year
  - Unplanned/Emergency Uploads - \$20/request
  - Physical Receipt Management (organizing, scanning, filing) - \$30/batch
- Telephone Calls: more than 4 calls each month will be charged a consultation fee of \$25.00/call
- A special \$25 fee applies when requests for expedited or certified checks, wires and payments.
- Shared Horizons' Team Members are available to meet annually for planning & budgeting, however, should additional meetings occur, including unscheduled office visits, the account will be assessed \$50 per visit or per hour, if greater.

**Stop Payment Check Request - \$40**

**Termination Fee - \$4,500**

The termination fee assessed when the individual account is closed for any reason, except when depleted.

**Requests for final disbursements will be processed within 30 days after reconciliation.**

**The Shared Horizons' Board of Directors reserves the right to amend the above fees at any time**

*Board Approved 9/22 – for JAN '23 Implementation*