



Special Needs  
Estate Planning  
Taskforce

**SPECIAL NEEDS TRUST SYSTEM**

**JOINER AGREEMENT AND**

**INSTRUCTIONS**

**2021 EDITION**

# SPECIAL NEEDS TRUST SYSTEM

Offered by Special Needs Trust Administrative Services, LLC

The Special Needs Trust Administrative Services, LLC was founded by Harry Ehrenberg and Margaret Ward. Harry has a background in finance and insurance. Margaret is an estate planning attorney. Both of us are parents of young adults with disabilities.

Our LLC was formed with one purpose in mind – helping families like ours by creating versatile and cost-effective estate planning options to benefit the people in our lives who have a disability or severe impairment.

Through our work with families like ours, we saw some common concerns:

- ✚ Afraid our loved one will fall through the cracks and lose their government benefits
- ✚ Concerned that we could unintentionally disqualify our child from government benefits by leaving them an inheritance
- ✚ Uncomfortable working with attorneys and concern about high legal fees
- ✚ Uncertain about the complexity of special needs trusts
- ✚ Worried about attracting and retaining individuals who will step into our shoes and care for our family member because of the stress that goes along with that responsibility
- ✚ Frustrated because we had few individuals who could be relied upon to take care of our family member and their special needs trust after our death

We set out to build a system to help address those concerns in a way that is affordable, and in a way that can accommodate a multitude of family situations. This system is called The Special Needs Trust System. It consists of four trusts:

1. The Legacy Trust Agreement
2. The Spendthrift Trust
3. The Special Needs Trust
4. The Caregiver Master Agreement.

These trusts work together to provide an affordable alternative for middle income families with its reduced legal fees. It relieves family members of the complexity of administrating special needs trusts, and provide an alternative for families with few or no extended family members.

The Special Needs Trust System also includes a way to dedicate money to whoever is acting as our family member's caregiver and their family in order to reduce the stresses associated with this role and allow the caregiver to avoid burnout.

Here are some examples of situations the Special Needs Trust System can help with:

- ✚ Family member who is on SSI and/or Medicaid
- ✚ Family member who may be on SSI and/or Medicaid in the future
- ✚ Families who have a specific asset – such as life insurance proceeds – that they want to go to a family member who is on SSI and/or Medicaid
- ✚ Family member who will not be eligible for Medicaid or SSI, but is unable to manage money on their own, such as a veteran with TBI
- ✚ Families who anticipate one sibling acting as caregiver for another sibling while taking care of a family of their own
- ✚ Families who have no good options for individual trustees
- ✚ Families who have a smaller estate

## THE SPECIAL NEEDS TRUST SYSTEM

Trusts are useful for these and a variety of other situations. A trust is a way to allow someone – the Grantor - to give another party – the Trustee – the right to control money and property, and the duty to use that money and property for the benefit of the person named in the trust – the Beneficiary. The trust protects the money and property to make sure that the trust assets are used as the grantor intended.

The rules and purpose of a trust are set in the Trust document. The Special Needs Trust System has prepared the Trusts. Families can have the advantage of these trusts without paying legal fees for drafting each trust individually. There is a charge to use the trusts. Typically, it is a fraction of the cost of fees that attorneys usually charge.



### **Legacy Trust:**

This trust is the umbrella trust. Gifts or inheritances from the family go into an individual account for the person with a disability. The money is invested by professional investment managers. The money and property are divided between the trusts described below according to the instructions given by the family. They can either direct all the money be transferred immediately to the other trusts or fund those trusts over a period of time.

The Trustee of the Legacy Trust – that is who is in charge of taking care of the money – is a professional trust department. The use of a professional trustee has three immediate benefits: it can relieve a family of the responsibility if there is not a suitable individual, professional trustees are well-versed in the rules involved in these trusts, and they are regulated and insured to protect against mismanagement of the trust.

The family would leave money or property to the Legacy Trust for the benefit of their loved one (the Beneficiary). The Legacy Trust can transfer money to:

- A Special Needs Trust,
- A Caregiver Trust,
- A Spendthrift Trust, or
- A combination of Trusts.

### **Special Needs Trust:**

There are two categories of special needs trusts: one that is funded with assets that belong to the Beneficiary, and one that is funded with assets from other people, usually the parents. They are called self-settled trusts and third-party trusts, respectively.

Special needs trusts are designed to allow families to leave money for the Beneficiary *without* jeopardizing eligibility for programs like Medicaid and SSI. The money can be used to enhance the life of the Beneficiary, paying for things such as travel, education, transportation, haircuts, furniture, entertainment, etc. But the rules are strict on how that money can be used, and it can only be used to help the named Beneficiary.

### **Caregiver Trust:**

Many of our family members will always need some level of supervision and support. Typically, the caregiver is who replaces the parent in providing that support. It can be a stressful task. The purpose of the Caregiver Trust is to attract and retain successor caregivers. It provides money that can be used to help the caregiver and the caregiver's family, whether that be respite care, or vacations, and whatever else can give the caregiver ways to recharge and avoid burnout. Money in the special needs trust cannot ever be used for the benefit of the caregiver or the caregiver's family.

Most attorneys are not aware of the possibility of or the need for a Caregiver Trust. This trust is a way to provide money to help our family member's caregiver in the future, whoever that might be.

### **Spendthrift Trust:**

This trust is available for Beneficiaries who may not ever qualify for programs like Medicaid but will always need some level of financial supervision. The assets of a spendthrift trust are used for the health, education, maintenance and support of the Beneficiary, but the Beneficiary is not the Trustee and does not have control of the checkbook. Unlike the special needs trust, there are not many restrictions on how the money can be used. The Trustee decides if the expenditure is appropriate. An additional benefit is that this trust cannot be seized by creditors of the Beneficiary.

## JOINING THE SPECIAL NEEDS TRUST SYSTEM

One of the most significant hurdles in the estate planning process for many middle-income families is finding an attorney who is conversant with special needs trusts and related issues. It is common for their fees to be more than the family can afford or is comfortable paying. We have solved this problem. The Special Needs Trust Administrative Services, LLC trusts offer families a way to leave money for their family member who has a disability without jeopardizing their eligibility for government benefits. It also incorporates the caregiver trust, and includes the spendthrift trust as an option. The trusts have the flexibility to accommodate many types of situations.

The Special Needs Trust System was created in conjunction with the Special Needs Estate Planning Taskforce. To take advantage of the Special Needs Trust System, visit the Taskforce's website: [www.specialneedstaskforce.com](http://www.specialneedstaskforce.com). Submit your completed Joinder Agreement to the Special Needs Trust Administrative Services, LLC. There is a nonrefundable, one-time fee of \$750, and nominal maintenance fees that are detailed in the Joinder Agreement. The Joinder Agreement is a legal document, and we encourage you to get independent professional advice before signing it.

In the Joinder Agreement, the Grantor will be asked to make choices that will customize the trusts to fit the situation. If the Grantor needs to make changes to the Joinder Agreement, he or she can do that up to the time the money and property is transferred into the trusts.

We believe this is the most comprehensive system of trusts available for families who have a member with special needs. It provides them with the flexibility to provide the appropriate support based on their family member's situation in the most appropriate way, and can accommodate future changes.

**For more information,** go to [www.specialneedstaskforce.com](http://www.specialneedstaskforce.com) or contact the Special Needs Estate Planning Task Force at [harry@specialneedstaskforce.com](mailto:harry@specialneedstaskforce.com) or (501) 663-6321.

*General information for educational purposes and not intended as legal advice for any individual or family. Consult a licensed attorney in your state for advice on your family's situation.*

# **SPECIAL NEEDS TRUST ADMINISTRATIVE SERVICES, LLC**

## **GRANTOR JOINDER AGREEMENT**

**This is a legal document. You are encouraged to seek independent, professional advice before signing.**

The undersigned Grantor hereby enrolls in and adopts the Special Needs Trust Administrative Services, LLC (“LLC”) Legacy Trust Agreement, which is incorporated herein by reference. By signing, the Grantor requests trusts to be established for the benefit of

### **Creation of Trusts:**

The Grantor understands that no trusts shall be created until approval of this Joinder Agreement by Special Needs Trust Administrative Services, LLC and acceptance by Trustee.

The Grantor hereby requests establishment of the **Legacy Trust**. The Grantor understands that additional trusts shall be created as follows (as chosen in Section D):

- **Special Needs Trust**
- **Caregiver Trust**
- **Spendthrift Trust**

### **Trustee:**

**Merchants and Planters Bank, Newport, Arkansas** is appointed Trustee of the **Legacy Trust**. Under the terms of the Special Needs Trust Administrative Services, LLC Legacy Trust Agreement, LLC retains authority to appoint the Legacy Trust trustee, and retains authority to dismiss and appoint a successor trustee. **Grantor agrees to the Trustee’s published fee schedule, as may be amended from time to time.**

### **Each trust shall be governed by:**

- The Special Needs Trust Administrative Services, LLC Legacy Trust Agreement, incorporated herein by reference;
- The Special Needs Trust Administrative Services, LLC Special Needs Master Trust Agreement, incorporated herein by reference; and/or
- The Special Needs Trust Administrative Services, LLC Caregiver Master Trust incorporated herein by reference

established on November 17, 2020, as amended from time to time. These trusts meet all Federal and State requirements to leave an inheritance to a person on SSI, Medicaid, or other benefits programs without jeopardizing their eligibility.

**A. Grantor Information (person(s) creating trust):**

1. Name:  
Address:  
Address:  
City: State: Zip:  
Phone: Email:  
Preferred means of communication:
2. Name:  
Address:  
Address:  
City: State: Zip:  
Phone: Email:  
Preferred means of communication:

If more than one Grantor, choose one of the following:

Either Grantor may sign future amendments to this Joinder Agreement

Both Grantors must sign future amendments to this Joinder Agreement

*If you would like a professional to contact you about legal or financial advice, please complete the following:*

Name:  
Phone:  
Email:

Preferred means of communication:



**B. Funding:**

Trust will be funded:

At death of Grantor(s)

Immediately

Other (please describe):

How will funding be completed?

Last Will and Testament bequest

trust distribution

beneficiary designation

gift

Other (please describe):

What assets will be used to fund the trust?

| Asset:                                | Approximate Value |
|---------------------------------------|-------------------|
| Cash                                  |                   |
| Life Insurance benefits               |                   |
| Investments (stocks, bonds, CDs)      |                   |
| Retirement accounts (401k, 403b, IRA) |                   |
| Real Estate                           |                   |
| Personal Property                     |                   |
| Other (specify): _____                |                   |

Attach a separate sheet if needed.

**C. Beneficiary Information (person with disability):**

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Date of Birth:

Relationship to Grantor(s):

Nature of disability/diagnosis:

Check all that apply:

Age of onset of disability prior to age 22

Age of onset of disability prior to age 26

Married

Eligible for or receiving SSI

Eligible for or receiving SSDI

Eligible for or receiving Medicaid

Eligible for or receiving Medicare

Does

have a court-appointed Guardian of the Person?

If YES, provide the following information:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Does \_\_\_\_\_ have a court-appointed Guardian of the Estate?

If YES, provide the following information IF DIFFERENT from Guardian of the Person:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

**D. Remainderman for Distribution of the trust assets upon the Beneficiary's death:**

The Remainderman is the person(s) or entity who is to receive any trust assets remaining upon the death of \_\_\_\_\_

Upon the death of \_\_\_\_\_, Grantor names the following people or entities to receive the remaining trust assets:

Primary Remainderman:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Contingent Remainderman:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Second Contingent Remainderman:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

If no remainderman is named above, the terms of the Special Needs Trust Administrative Services, LLC Special Needs Master Trust and the Special Needs Trust Administrative Services, LLC Caregiver Master Trust shall control distribution of any remaining trust assets.

**E. Trusts to be created:**

The following options are available:

| OPTION: | 3 <sup>rd</sup> Party Special Needs Trust | Spendthrift Trust | Caregiver Trust |
|---------|---|-------------------|-----------------|
| 1       | ✓   |                   |                 |
| 2       |   | ✓                 |                 |
| 3       |   |                   | ✓               |
| 4       | ✓   |                   | ✓               |
| 5       |   | ✓                 | ✓               |

**YOU MUST CHOOSE ONE OF THE FOLLOWING OPTIONS**

Note: you may change your option choice or allocation choice up until the trusts are funded.

Option 1: All funds to 3rd Party Special Needs Trust Account  
100% of assets shall be allocated to the

Special Needs Trust

**If you choose Option 1, go directly to page 9**

Option 2: All funds to Spendthrift Trust Account  
100% of assets shall be allocated to the

Spendthrift Trust

**If you choose Option 2, go directly to page 10**

Option 3: All funds to Caregiver Trust Account  
100 % of assets shall be allocated to the

Caregiver Trust

**If you choose Option 3, go directly to page 11**

Option 4: Allocation of funds between 3rd Party Special Needs Trust and Caregiver Trust  
Choose one-time or annual allocation

One-time allocation:  
%, or dollars of the  
shall be allocated to the  
balance to the

Legacy Trust account  
Special Needs Trust, with the  
Caregiver Trust

OR

Annual allocation

%, or dollars of the  
shall be allocated to the  
% or dollars to the

Legacy Trust account  
Special Needs Trust per year, and  
Caregiver Trust per year.

**If you choose Option 4, go directly to page 12**

Option 5: allocation of funds between Spendthrift Trust and Caregiver Trust (choose one-time or annual allocation)

One-time allocation:

%, or dollars of the  
shall be allocated to the  
Caregiver Trust

Legacy Trust account  
Spendthrift Trust, with the balance to the

OR

Annual allocation

%, or dollars of the  
shall be allocated to the  
or dollars to the

Legacy Trust account  
Spendthrift Trust per year, and %  
Caregiver Trust per year.

**If you choose Option 5, go directly to page 13**

**F. Designation of Trustee(s)**

If no trustee is named, or if none of the named trustees are able, willing, and qualified to serve, the terms of the Special Needs Trust Administrative Services, LLC Special Needs Master Trust, Caregiver Master Trust, or the Legacy Trust Agreement shall control.

**COMPLETE THIS PAGE FOR OPTION 1  
SPECIAL NEEDS TRUST ONLY**

**Trustee of Special Needs trust**

Initial Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

First Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Second Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

**Go to page 14**

**COMPLETE THIS PAGE FOR OPTION 2  
SPENDTHRIFT TRUST ONLY**

**Trustee of Spendthrift trust**

Initial Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

First Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Second Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

**Go to page 14**



**COMPLETE THIS PAGE FOR OPTION 3  
CAREGIVER TRUST ONLY**

**Trustee of Caregiver Trust**

Initial Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

First Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Second Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

**Go to page 14**

**COMPLETE THIS PAGE FOR OPTION 4  
SPECIAL NEEDS TRUST AND CAREGIVER TRUST**

**NOTE: The Trustee of the Caregiver Trust cannot be the Caregiver or a member of the Caregiver's immediate family. If that situation arises, the next named Trustee of the Caregiver Trust shall serve as Trustee.**

**Trustee of Special Needs trust**

Initial Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

First Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Second Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

**Trustee of Caregiver Trust *COMPLETE ONLY IF DIFFERENT INDIVIDUAL(S) FROM SPECIAL NEEDS TRUST ABOVE***

Initial Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

First Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Second Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

**Go to page 14**

**COMPLETE THIS PAGE FOR OPTION 5  
SPENDTHRIFT TRUST AND CAREGIVER TRUST**

**NOTE: The Trustee of the Caregiver Trust cannot be the Caregiver or a member of the Caregiver's immediate family. If that situation arises, the next named Trustee of the Caregiver Trust shall serve as Trustee.**

**Trustee of Spendthrift trust**

Initial Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

First Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Second Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

**Trustee of Caregiver Trust *COMPLETE ONLY IF DIFFERENT INDIVIDUAL(S) FROM SPECIAL NEEDS TRUST ABOVE***

Initial Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

First Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

Second Successor Trustee:

Name:

Address:

Address:

City:

State:

Zip:

Phone:

Email:

**Go to page 14**

**G. OPTIONAL: Advisor.**

An Advisor is not a trustee, but is authorized by you to give the trustee direction about appropriate expenditures for the beneficiary. An Advisor named here will not have any authority over the management of any Trust and has no direct authority over expenditures of any trust created herein. Absent an alternative name, any person providing caregiver services will also be the Advisor.

Advisor:

Name:  
Address:  
Address:  
City: State: Zip:  
Phone: Email:

Successor Advisor:

Name:  
Address:  
Address:  
City: State: Zip:  
Phone: Email:

If no further successor Advisor is named, the Guardian of the Person may appoint a successor Advisor. If no Guardian has been appointed, the Beneficiary may make such appointment.

**H. Fees:**

1. The Grantor must submit payment for the application fee of \$750 at time of application. The application fee is nonrefundable.
2. Special Needs Trust Administrative Services, LLC will charge a nominal maintenance fee of \$25/year, paid by Grantor, until the trust is substantially funded.
3. Special Needs Trust Administrative Services, LLC will charge a nominal maintenance fee of \$10/month, paid annually by each trust created, beginning when the trust is substantially funded.
4. Grantor will enter into an agreement with Merchants and Planters Bank, Newport, Arkansas, for trustee fees

**I. Miscellaneous:**

1. The provisions of this Joinder Agreement, as entered into as of the date below, may be amended as set forth in the Special Needs Trust Administrative Services, LLC Legacy Trust Agreement, the Special Needs Trust Administrative Services, LLC Caregiver Master Trust, and/or the Special Needs Trust Administrative Services, LLC Special Needs Master Trust, so long as any such amendment is consistent with the Trust Agreement, and the then applicable law.
2. The Grantor must complete separate Joinder Agreements for each Beneficiary.
3. Beneficiary Designation Format. Beneficiary designations in *inter vivos* trusts, Last Will and Testaments, life insurance, brokerage, real estate (in states with deeds that can be payable upon death), bank or retirement accounts can be designated to be paid at the death of the Grantor into trust with a beneficiary or payable-upon-death designation as follows:

Legacy Trust
4. Upon execution of this Joinder Agreement, Grantor shall establish an account for the Legacy Trust with Merchants and Planters Bank as Trustee. The initial \$10 deposit will be paid by Special Needs Trust Administrative Services, LLC.
5. All correspondence or communications with the Trustee should be sent to:

*Merchants and Planters Bank  
Attn: Trust Officer  
316 Front Street  
Newport, Arkansas 72112  
Phone: (870) 523-3601*

**GRANTOR ACKNOWLEDGMENT**

By signing below, Grantor acknowledges and states that:

- Grantor has reviewed and signed this Joinder Agreement, understands it, and agrees to be bound by its terms.
- **Grantor has had the opportunity to consult independent legal and financial advisors regarding the Joinder Agreement, the Special Needs Trust Administrative Services, LLC Legacy Trust Agreement, and related trusts.**

*All Grantors must sign. If needed, please attach additional signature and acknowledgment pages.*

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

\_\_\_\_\_  
Grantor Printed Name

**ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

On this day before me, a Notary Public, duly commissioned, qualified, and acting within and for the State and County aforesaid, personally appeared \_\_\_\_\_, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he/she had freely and voluntarily executed the same for the purposes therein contained.

WITNESS my hand and official seal this \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

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

\_\_\_\_\_  
Grantor Printed Name

**ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

On this day before me, a Notary Public, duly commissioned, qualified, and acting within and for the State and County aforesaid, personally appeared \_\_\_\_\_, known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he/she had freely and voluntarily executed the same for the purposes therein contained.

WITNESS my hand and official seal this \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public  
My Commission Expires:

APPROVED BY:

Special Needs Trust Administrative Services, LLC

By: \_\_\_\_\_

Date: \_\_\_\_\_

ACCEPTED BY:

Merchants and Planters Bank  
Newport, Arkansas  
Legacy Trust Agreement Trustee

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_



## JOINDER AGREEMENT

## GRANTOR INSTRUCTIONS

*These instructions are to assist the Grantor in completing the Grantor Joinder Agreement for enrolling in the Special Needs Trust System. If there is a conflict between the Joinder Agreement and these instructions, the Joinder Agreement is determinative.*

### **Page 1:**

The first blank is for the name of the disabled person for whom the Trust is being set up. This person is called the Beneficiary. Please use the person's name as it appears on other legal or government documents.

### **Page 2:**

The "Grantor" is the person setting up the Trust and providing the funds for the Trust, either now or in the future. If there is more than one Grantor, for example, two spouses, please provide information on both. The Joinder Agreement may be amended up until the time the trusts are funded. If there are two Grantors, you are asked to indicate if either Grantor may sign future amendments to the Joinder Agreement or if both Grantors must sign.

### **Page 3:**

This page asks for information about the money and property that will be put in the Trust, and how the funding will be done, along with the estimated value. Exact values are not needed.

### **Page 4:**

Part C is information about the Beneficiary. If the Beneficiary has a court-appointed Guardian of the Person, please provide the information requested. If the Beneficiary has a court-appointed Guardian of the Estate *who is a different person from the Guardian of the Person*, please provide the information requested.

**Page 5:**

Part D is where you, the Grantor, can select who is to receive any assets left in the Trust after the Beneficiary’s death. They are called the Remainderman. You can name a first choice (Primary Remainderman) and a second choice (Contingent Remainderman).

**Page 6:**

Part E allows you to choose which Trusts will be created. The options are shown in the following table.

| OPTION: | 3 <sup>rd</sup> Party Special Needs Trust | Spendthrift Trust | Caregiver Trust |
|---------|---|-------------------|-----------------|
| 1       | ✓   |                   |                 |
| 2       |   | ✓                 |                 |
| 3       |   |                   | ✓               |
| 4       | ✓   |                   | ✓               |
| 5       |   | ✓                 | ✓               |

**Option 1:** This option will put 100% of the assets into the Special Needs Trust.

**Option 2:** This option will put 100% of the assets into the Spendthrift Trust.

**Option 3:** This option will put 100% of the assets into the Caregiver Trust.

**Option 4:** This option allows you to divide the assets between the Special Needs Trust and the Caregiver Trust. You choose how much of the total goes into each.

You can choose to have the assets divided and put in the Special Needs Trust and the Caregiver Trust all at once. This is a *one-time allocation*.

For example, if the total amount is \$100,000:

- 50% to Special Needs Trust and 50% to Caregiver Trust. Each trust would get \$50,000

OR

- \$30,000 to Special Needs Trust and \$70,000 to Caregiver Trust, totaling \$100,000.

Or you can choose to have a certain amount or portion put into the Special Needs Trust and Caregiver Trust every year. This is an *annual allocation*.

For example, if the total amount is \$100,000, each year:

- 5% to Special Needs Trust and 5% to Caregiver Trust. Each trust would get \$5,000 the first year, and 5% of the balance every year until the money runs out.

OR

- \$3,000 to Special Needs Trust and \$7,000 to Caregiver Trust every year until the money runs out.

**Option 5:** This option allows you to divide the assets between the Spendthrift Trust and the Caregiver Trust. You choose how much of the total goes into each.

You can choose to have the assets divided and put in Spendthrift Trust and the Caregiver Trust all at once. This is a *one-time allocation*.

For example, if the total amount is \$100,000:

- 50% to Spendthrift Trust and 50% to Caregiver Trust. Each trust would get \$50,000

OR

- \$30,000 to Spendthrift Trust and \$70,000 to Caregiver Trust, totaling \$100,000.

Or you can choose to have a certain amount or portion put into the Spendthrift Trust and Caregiver Trust every year. This is an *annual allocation*.

For example, if the total amount is \$100,000, each year:

- 5% to Spendthrift Trust and 5% to Caregiver Trust. Each trust would get \$5,000 the first year, and 5% of the balance every year until the money runs out.

OR

- \$3,000 to Spendthrift Trust and \$7,000 to Caregiver Trust every year until the money runs out.

You may amend the Joinder Agreement, including the option chosen and/or the allocation between trusts, until assets are put in the trusts. After assets are put into a

legacy trust, special needs trust, caregiver trust, or spendthrift trust, those assets can only be removed under the terms of the trust. If there is more than one Grantor, you are asked to indicate if either Grantor may sign an amendment to the Joinder Agreement, or if both Grantors must sign an amendment.

### **Pages 9-13:**

Part F on pages 9 through 13 is where you name who you want to be in charge of each trust you are setting up.

1. If you chose **Option 1** in Part E, you name an initial Trustee and backup Trustees for the Special Needs Trust on Page 9.
2. If you chose **Option 2** in Part E, you name an initial Trustee and backup Trustees for the Spendthrift Trust on Page 10.
3. If you chose **Option 3** in Part E, you name an initial Trustee and backup Trustees for the Caregiver Trust on Page 11.
4. If you chose **Option 4** in Part E, you name an initial Trustee and backup Trustees for the Special Needs Trust on and you name an initial Trustee and backup Trustees for the Caregiver Trust on Page 12. If the same individuals are named for both trusts, only fill in one set of blanks. The Caregiver cannot be a trustee of the Caregiver Trust.
5. If you chose **Option 5** in Part E, you name an initial Trustee and backup Trustees for the Spendthrift Trust and you name an initial Trustee and backup Trustees for the Caregiver Trust on Page 13. If the same individuals are named for both trusts, only fill in one set of blanks. The Caregiver cannot be a trustee of the Caregiver Trust.

### **NOTE THESE RULES:**

- The Beneficiary is not permitted to be Trustee of any of the Trusts.
- The person who is the Caregiver for the Beneficiary is not permitted to be the Trustee for the Caregiver Trust. If a situation arises where the Caregiver and the Trustee of the Caregiver Trust are the same person, the next named trustee will take over.

### **Page 11:**

Part G is optional. You can choose to name someone to act as an advisor for the Trustee. This person would help the Trustee in making decisions on how money should be spent. For example, the Advisor may notice that the Beneficiary's couch is broken, and notify the Trustee so that they will know it needs to be replaced. The Advisor does not have any authority over the money, but would simply help the Trustee with information about the Beneficiary.

**Pages 13-14:**

These pages MUST BE printed out, signed by the Grantor(s) before a notary, and submitted with the application to Special Needs Trust Administrative Services, LLC.