PROXY
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Joinder Agreement

First Party Trusts

for PLAN of California Master Pooled Trust



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Proxy Parent Foundation

JOINDER AGREEMENT FOR FIRST PARTY TRUSTS

for PLAN of California Master Pooled Trust

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

I. BACKGROUND INFORMATION.

A. Enrollment in and adoption of Trust Terms. The Undersigned hereby enrolls in and adopts PLAN of California Master Pooled Trust Agreement dated Nov. 30, 2006, and First Amendment thereto, dated October 11, 2012 (hereinafter, the "Trust") which is incorporated herein by reference.

B. Trust Sub-account Number: _____

C. Grantor/Beneficiary Information:

Name: _____
Address: _____
SSN or Tax Payer ID: _____
Telephone: _____
Email: _____
Birth Date: _____
Place of birth: Hospital: _____
City/State/Country: _____
Mother's name: _____
SSN: _____
Father's name: _____
SSN: _____

D. Beneficiary's Primary Representative:

The Grantor/Beneficiary may act as his or her own Primary Representative. If the Grantor/Beneficiary has a conservator of the estate and/or person, that person is the primary representative. If the Grantor/Beneficiary is a minor the parent or guardian is the primary representative. If the Grantor/Beneficiary has

a Representative Payee or an agent acting under a durable power of attorney, those persons or another person of the Beneficiary's own choosing may be the primary representative. Please provide the name, address, and relationship of such person to the Grantor/Beneficiary: (check one box only)

☐ Conservator of _____ Estate ____ Person (indicate one or both as applicable

☐ Guardian of _____Estate _____ Person (indicate one or both as applicable)

☐ Power of Attorney ☐ Parent ☐ Other _____

Name: _____
Address: _____
Telephone: _____
Email: _____

E. Beneficiary's Successor Representatives:

Please list below, in order of preference, the persons that you would like to be your successor Primary Representative:

First Alternate:

Name: _____
Address: _____
Telephone: _____
Email: _____
Relationship to Grantor/Beneficiary: _____

Second Alternate:

Name: _____
Address: _____
Telephone: _____
Email: _____
Relationship to Grantor/Beneficiary: _____

If none of the named Primary Representatives or successors are able to serve, how would you like for the Trustee to select another Primary Representative?

☐ PLAN of California to act, appoint, or designate agent.
☐ Other: _____

F. Current Benefits:

1. Does the Grantor/Beneficiary receive Supplemental Security Income (SSI)?

☐ YES ☐ NO
If so, how much per month? $_____
Date Grantor/Beneficiary began receiving SSI: _____

2. Does the Grantor/Beneficiary receive Social Security (SSDI)?

☐ YES ☐ NO
If so, how much per month? $_____
Date Grantor/Beneficiary began receiving SSDI:_____

3. Does the Grantor/Beneficiary receive Medicare?

☐ YES ☐ NO
If so, what is the Medicare card number? _____

4. Does the Grantor/Beneficiary receive Medi-Cal?

☐ YES ☐ NO
If so, what is the Medi-Cal card number? _____

5. List all other forms of public benefits that the Grantor/Beneficiary receives:

_____
_____
_____
_____

G. Private Insurance:

Is the Grantor/Beneficiary covered under any health insurance policy?

☐ YES ☐ NO

If so, complete the following:

1. Insurer: _____
2. Address: _____
3. Policy Number: _____

H. Burial Insurance or Burial Account.

Is the Grantor/Beneficiary covered under a prepaid funeral or burial insurance?

☐ YES ☐ NO

If so, complete the following:

1. Insurer: _____
2. Address: _____
3. Policy Number: _____

I. Beneficiary's Disability:

[*This section is to be completed only when the Grantor/Beneficiary DOES NOT receive SSI or SSDI benefits*.]

1. What is the nature of the Beneficiary's disability?

_____
_____
_____

2. If the Beneficiary's condition has been medically diagnosed, what is the diagnosis?

_____
_____
_____

3. What is the prognosis at this time?

_____
_____

II. FINAL DISTRIBUTION AND REMAINDER BENEFICIARIES.

A. Distributions of the Remainder upon the Beneficiary's Death:

1. Source of Funds:

a. Beneficiary's funds: (*e.g.*, proceeds of personal injury case):

_____

The Trust account established with this Joinder Agreement is funded with the Grantor/Beneficiary's own funds. Federal law requires that all remaining funds in the Grantor/Beneficiary's sub-account at the Beneficiary's death, after payment of allowable expenses such as fees, costs, and depending upon the public benefits program, last illness or burial expenses, must be used to reimburse the (or states) for medical services received, ("State Reimbursement Claims"), except amounts retained by the Trust (the Trust's Remainder Share).

The hierarchy of Deductions from the Remainder upon the death of the Grantor/Beneficiary is as follows:

First. Upon the death of the individual, the trust will pay to the State(s) the amount remaining up to an amount equal to the total amount of medical assistance paid on behalf of the beneficiary under State Medicaid plan(s). This payback includes any State(s) that may have provided medical assistance under the State Medicaid plan(s) and not be limited to any particular State(s).

Second. Under 42 U.S.C. §1396p, prior to designating the amount for Medi-Cal payback, the following distributions will be made:

2. Distribution of Remainder Upon death of Grantor/Beneficiary:

a. A minimum of 25% of the remainder in the sub-account is retained by the Trust. If it is desired that the trust retain a larger amount, cross out 25% below and fill in the higher percentage of the remaining funds that will be retained by the Trust:

25% or _____ of this sub-account.

b. Administrative Expenses: The following types of administrative expenses may be paid from the trust prior to reimbursement of medical assistance to the State(s):

- Taxes due from the trust to the State(s) or Federal government because of the death of the beneficiary;

- Reasonable fees for administration of the trust estate such as an accounting of the trust to a court, completion and filing of documents, or other required actions associated with termination and wrapping up of the trust.

Third. If there are funds remaining in the Beneficiary's sub-account after the PLAN Trust Remainder Share *and* reimbursement to any State(s) that may have provided medical assistance under the State Medicaid plan(s) [not be limited to any particular State(s)] have all been satisfied, the remainder will be distributed in accordance with the Grantor/Beneficiary's designation of Remainder Beneficiaries below. Please make sure percentages add up to 100%.

Final Remainder Beneficiaries:

Name of person or entity: _____
Address: _____
Telephone: _____
Email:_____
Percentage of Final Remainder _____%

Name of person or entity: _____
Address: _____
Telephone: _____
Email: _____
Percentage of Final Remainder _____%

Name of person or entity: _____
Address: _____

Telephone: _____
Email: _____
Percentage of Final Remainder _____%

Name of person or entity: _____
Address: _____
Telephone: _____
Email: _____
Percentage of Final Remainder _____%

The total Percentage of all the Final Remainders must equal 100%

Should this section not be completed or should the final percentages not total 100%, the final remainder beneficiary shall be determined by the beneficiary's estate, by will or the laws of intestacy.

a. If any Final Remainder Beneficiary is deceased at the time of distribution, the funds that would have been distributed to that beneficiary will instead be distributed to his or her descendants, by right of representation. If a Final Remainder Beneficiary does not have descendants, then his or her share shall lapse.

b. Locating Final Remainder Beneficiaries:

Grantor/Beneficiary acknowledges that PLAN may incur additional costs if Final Remainder Beneficiaries or the beneficiaries of Grantor's estate cannot be located easily. Grantor/Beneficiary acknowledges and agrees that the Trustee may recover its reasonable costs and expenses associated with locating such beneficiaries. Should no heirs be found within 90 day, Trustee shall distribute the remainder, per stirpes.

III. OPERATIONAL PROVISIONS.

A. Disbursements:

The Grantor/Beneficiary recognizes that all disbursements are

discretionary, as directed by the Trustee.

1. With this in mind, the Grantor/Beneficiary expresses the following desires as to how funds in the Trust sub-account might be used for the Beneficiary's supplemental needs: (For example, dental work not covered by Medi-Cal, rehabilitative services, education, musical enjoyment, recreation, etc.)

_____
_____
_____
_____
_____
_____

2. Although still subject to Trustee discretion, additional Supplemental Needs, including items of a similar nature to those listed above, may be specified in a Case Assessment and Supplemental Needs Plan that may be established for the Grantor/Beneficiary upon funding of the sub-account and updated from time to time.

B. Contact Information

SEE APPENDIX 2

C. Miscellaneous Provisions:

1. The provisions of this Joinder Agreement may be amended as the Grantor/Beneficiary and the Trustee may jointly agree, provided court approval is obtained and so long as any such amendment is consistent with PLAN of California Master Pooled Trust Agreement and the then-applicable law. Provided, however, that after a sub-account is funded the Grantor/Beneficiary may not revoke a transfer nor amend items I(C) or II(A)(2) of this Joinder Agreement.

2. Taxes:

a. The Grantor/Beneficiary acknowledges that the Trustee has made no

representation to the Grantor/Beneficiary that contributions to the Trust are deductible as charitable gifts, or otherwise.

b. Grantor/Beneficiary acknowledges that Trustee has made no representations as to the gift or tax consequences of directing funds to the Trust and has recommended that the Grantor/Beneficiary seek independent legal advice.

c. Trust sub-account income, whether paid in cash or distributed in other property, may be taxable to the Grantor/Beneficiary subject to applicable exemptions and deductions. Professional tax advice is recommended.

d. Trust sub-account income may be taxable to the Trust, and when this is the case, such taxes shall be payable from the applicable Trust sub-accounts.

4. This Trust is a pooled special needs trust, which is governed by the laws of California. When as here, the Sub-Account is funded with the beneficiary's funds, the Trust must be administrated in conformity with the provisions of 42 U.S.C. §1396p, amended August 10, 1993, the Omnibus Budget Reconciliation Act of 1993. To the extent there is conflict between the terms of this Trust and the governing law, the law and regulations shall control.

D. Federal Taxation and Possible Treatment of Trust Income/Assets:

Each Grantor/Beneficiary acknowledges that a trust sub-account may be treated as a grantor trust for federal income tax purposes as provided under IRC §671 *et. seq*. and the treasury income tax regulations thereunder. In such event, all allocable income, gains or losses shall be reported on the Grantor's federal income tax return and taxable to the Grantor/Beneficiary. *Unless otherwise ordered by the Court*, each Grantor/Beneficiary acknowledges that the Grantor/Beneficiary or the primary representative shall be responsible for mailing his or her own federal and/or state income tax returns to report the income of the Trust which is taxable to him or her.

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IN WITNESS WHEREOF, the undersigned Grantor/Beneficiary has reviewed and signed this Joinder Agreement and agrees to be bound by its terms, and the Trustee has accepted this Joinder Agreement, the parties hereby execute this Joinder Agreement to be effective as of:
this _____ day of _____, 20 _____.

_____
Grantor/Beneficiary

PLAN of California, as Trustee

_____
Karen Clark
Director of Administration

APPENDIX 1 TO THE JOINDER AGREEMENT
FOR THE PLAN OF CALIFORNIA MASTER POOLED TRUST

FEE SCHEDULE

A Fee Schedule shall be published annually and is available upon request. Effective *July 7, 2016* the following fees may be changed from time to time by the PLAN of California Master Pooled Trust:

Enrollment Fee: The enrollment fee covers the cost of opening a Trust sub-account for the Beneficiary. It is due at the time the Joinder Agreement is executed. For First Party/Self-Settled Trusts, the enrollment fee is 1.5% of the trust balance, but in no case less than $500 or greater than $1800. For Third Party Trusts, to be funded at some time in the future, the enrollment fee is $1800.

Annual Trust Maintenance Fee: Once the trust is funded, a trustee & administration fee is charged annually. The trustee & administration fee is 1.75% of trust balance for balances up to $100,000, 1.5% for balances from $100,001 to $300,000, 1.25% for balances over $300,000, or $750 per year, whichever is greater.

Personal Support Administrative Fee: If Personal Support Services are provided, a 15% administration fee is charged based upon personal support services hours, contracted with qualified personal support specialists.

Special Assessments: The Trustee has authority from time to time, as necessary, to assess all sub-accounts or certain sub-accounts with special assessments for specific costs such as the cost of defending a sub-account of the Trust, or taking actions to preserve a beneficiary's Public Benefits.

Other fees that may be paid to outside parties: Investment management, IRS tax preparation fees, legal services, Primary Representative services, Personal Support services, etc., which will be negotiated at reasonable, competitive professional rates.

APPENDIX 2 TO THE JOINDER AGREEMENT
FOR THE PLAN OF CALIFORNIA MASTER POOLED TRUST

For information regarding a Beneficiary's sub-account, or for initial requests for disbursements, call or write PLAN of California, at:

PLAN of California Master Pooled Trust
Attn: Karen Clark, Director of Administration
PO Box #889
Pacific Palisades, CA 90272
714.997.3310
kclark@proxyparentfoundation.org

APPENDIX 3 TO THE JOINDER AGREEMENT
FOR THE PLAN OF CALIFORNIA MASTER POOLED TRUST

Checklist for Self-Funded Sub-Accounts Master Pooled Trust

It is not PLAN's intention to provide legal advice. Attorneys working with special needs trusts should be experienced estate planning attorneys. PLAN urges attorneys who are not experienced in estate planning for persons with disabilities to direct clients on to attorneys who have such experience. Please submit this checklist with the joinder agreement.

____ My client has been advised of the tax consequences of trust sub-account profit.

____ I have advised my client that the Master Pooled Trust cannot disburse funds for basic needs but is a supplemental trust. The funds are budgeted for supplemental items which are appropriate to the sub-account beneficiary's needs.

____ I have advised my client that federal law requires that all unspent amounts in the Beneficiary's sub-account at the Beneficiary's death must be used to reimburse the State for medical services received, unless the Grantor chooses to leave a percentage of the funds for other beneficiaries of the Trust.

____ There are no liens or claims against the trust sub-account funds.

____ The beneficiary of the trust meets the definition of having a disability according the Social Security definition. *(check appropriate options.)*

The beneficiary is currently eligible for SSI ___ SSDI ___ Medi-Cal ___ or the beneficiary has obtained a disability determination by the California Department of Health Services ___ or for recipients with long term care Medi-Cal or Medicaid over the age of 65 ___.

____ I have advised my client that certain trusts may be subject to claims for some or all mental health services and services for persons with developmental disabilities; however, there are statutes governing trust exemptions. If the individual beneficiary is receiving Medi-Cal, then the individual's sub-account is not subject to charges for Medi-Cal-covered services.

____ I have advised my client that, under 42 U.S.C. § 1396(p)(c), certain transfers of assets for less than fair market value (including but not limited to the

purchase of an annuity that will not pay back to the purchaser the amount paid for it) can result in a period of ineligibility for certain types of Medi-Cal, including long-term care Medi-Cal, home or community-based waiver services, home health care services, home and community care for functionally disabled elderly individuals, and personal care services; and I have further advised my client that the act of joining PLAN of California Master Pooled Trust is not considered such a transfer of assets for less than fair market value, but I have also advised my client that if such a transfer of assets for less than fair market value has occurred, as would be penalized under 42 U.S.C. § 1396(p)(c), joining PLAN of California Master Pooled Trust will not avoid or mitigate the penalty period.

_____

Printed Name, Attorney

_____

Signature, Attorney

WAIVER

If the assets to be joined total less than $10,000, in lieu of the above requirement, the following waiver may be executed by the Grantor.

This joinder agreement is irrevocable upon funding and subject to other important legal, economic and tax issues inherent in all pooled special needs trusts. It is not PLAN of California's intention to provide legal advice and I have been encouraged and directed by PLAN to seek the advice of an *experienced estate planning attorney before signing this agreement.*

The total amount to be joined to the PLAN of California Master Pooled Trust is less than $10,000. I acknowledge and understand the above and I waive my right to seek the advice of an attorney.

_____ _____

Grantor/Beneficiary Signature Date