

State of Washington
Developmental Disabilities Endowment Fund Trust Fund II
(Self-Settled Trust)

JOINDER AGREEMENT II

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

This JOINDER AGREEMENT II is entered into and shall be effective as of the date set forth below by and between The Arc of Washington State and the Primary Donor whose signature is set forth on this Joinder Agreement II.

Definitions

Beneficiary

A person for whom an Individual Trust Account has been established within Trust Fund II. To qualify as a Beneficiary, an individual must reside in Washington State at the time of enrollment and be a person with a developmental disability as defined in RCW 71A.10.020(3), as determined by the Division of Developmental Disabilities of the Washington Department of Social and Health Services and who the Governing Board has determined is within the purview of the Trust Fund's purposes and programs.

Disbursement Plan (Schedule C)

A plan, submitted by the Primary Donor at the time of enrollment, that identifies the goods or services most likely to be appropriate to the supplemental needs of the Beneficiary. The Primary Donor may periodically change the Disbursement Plan by amending this Joinder Agreement II.

Disposition Plan (Section K)

A plan, submitted by the Primary Donor at the time of enrollment, that directs how funds will be distributed on the death of the Beneficiary.

Developmental Disabilities Endowment Fund (the "Trust Fund")

An endowment jointly funded by the State of Washington and dedicated contributions of Beneficiaries' funds to establish Individual Trust Accounts to provide for the supplemental needs of Washington State residents with developmental disabilities.

Final Remainder

The assets remaining in a Beneficiary's Individual Trust Account at the time of his or her death. When an Individual Trust Account is closed on the death of the Beneficiary, unexpended State matching funds, including investment earnings on such matching funds, will revert to the Trust Fund.

Governing Board

The Governing Board of Trust Fund II as described in RCW 43.330.195 - 240.

Individual Trust Account

An account maintained within Trust Fund II for an individual Beneficiary. Only a Beneficiary's own assets may be contributed to an Individual Trust Account maintained under the Trust Fund II.

Joinder Agreement II

This agreement establishing the Primary Donor's consent to the Trust Fund II Agreement and establishing disbursements, fees and management of an Individual Trust Account for a Beneficiary.

Primary Donor

The person who executes this Joinder Agreement II for the purpose of establishing an Individual Trust Account for a Beneficiary. The Primary Donor is responsible for submitting, at the time of enrollment, the Disbursement Plan (Schedule C), the Disposition Plan (Section K) and a list of Primary Representatives (Section F) authorized to request disbursements on behalf of the Beneficiary. A Beneficiary may be a Primary Donor of Trust Fund II.

Primary Representative

The person(s) named in this agreement with whom the Governing Board and/or the Trust Manager is authorized to communicate regarding an individual Beneficiary's interests. The Primary Representative may also be the Primary Donor.

Self-Settled Trust

Trust Fund II is a self-settled trust that can only accept contributions of assets of the Beneficiary of a particular Individual Trust Account and not assets of third-parties.

Trustee

The Trustee is the Governing Board.

Trust Manager (also the "Manager")

The person or persons designated by the Governing Board who must authorize all disbursements from Trust Fund II. The Trust Manager will consider the Disbursement Plan filed by the Primary Donor when making decisions regarding disbursements. The Trust Manager will consider such issues as how any individual disbursement to or for the benefit of a Beneficiary will affect the ability of that Beneficiary's Individual Trust Account to sustain the needed disbursements over the lifetime of such Beneficiary and how any individual disbursement will affect such Beneficiary's benefits. The Trust Manager is the Arc of Washington State. The Trust Manager is acting on behalf of the Governing Board as its designee.

State of Washington Developmental Disabilities Endowment Fund Trust Fund II Agreement (Trust Fund II)

An irrevocable special needs trust to enhance the quality of life for Washington residents with developmental disabilities.

A. **The undersigned Primary Donor hereby enrolls in, and adopts and consents, to the State of Washington Developmental Disabilities Endowment Fund Trust Fund II Agreement dated December 2, 2010, which is incorporated herein by reference.**

B. **Individual Trust Account number:** To be assigned by the Enrollment Agency

C. **Primary Donor :**

1. Name: _____

2. Address: _____

3. Telephone: day: _____ evening: _____

4. E-mail: _____

5. Relationship to Beneficiary: _____

D. **Beneficiary (one person only):**

1. Name: _____

2. Address: _____

3. Social Security Number: _____

4. Telephone: day: _____ evening: _____

5. Birth date: _____ E-mail: _____

Only fill in 6 and 7 if the Beneficiary is less than 18 years of age.

6. Mother's name: _____

7. Father's name: _____

E. Legal Representative(s):

Please list all legal representatives of the Beneficiary (i.e., guardians, conservators, representative payees, agents acting under a durable power of attorney, trustees, or legal representatives or fiduciaries). Use additional pages if necessary.

1.a. Name: _____

b. Address: _____

c. Telephone: day: _____ evening: _____

d. Relationship: _____ E-mail: _____

e. Type of legal representation: _____

2.a. Name: _____

b. Address: _____

c. Telephone: day: _____ evening: _____

d. Relationship: _____ E-mail: _____

e. Type of legal representation: _____

F. Primary Representative:

Please designate the Primary Representative and alternate Primary Representatives. (The Primary Donor may be the Primary Representative.) Use additional pages if necessary.

1. Primary Representative:

a. Name: _____

b. Address: _____

c. Telephone: day: _____ evening: _____

d. Relationship: _____ E-mail: _____

F. Primary Representative (Continued):

2. First Alternate:

a. Name: _____

b. Address: _____

c. Telephone: day: _____ evening: _____

d. Relationship: _____ E-mail: _____

3. Second Alternate:

a. Name: _____

b. Address: _____

c. Telephone: day: _____ evening: _____

d. Relationship: _____ E-mail: _____

4. No Alternates Remaining:

If the Primary Representative and his or her successors are unable to serve, what are your instructions for the Manager to select another Primary Representative?

K. Disposition Plan:

1. Distribution if Termination Prior to Death of Beneficiary. While you have no right to terminate or revoke your Individual Account in Trust Fund II, the account may be terminated by the Trustee if, for instance, you are no longer disabled or you move to another state. If your Individual Account is terminated during your life it may be transferred to another pooled asset trust having the same requirements as Trust Fund II. If it is not transferred to another pooled asset trust, every state that has provided Medicaid benefits to you will first be reimbursed for what they have spent for your care. If anything is left after Medicaid has been reimbursed, it will be distributed directly to you, after taxes and trust expenses have been covered.

2. Distribution on Death of Beneficiary. If funds remain in your Individual Account when you die, the remaining funds will be paid in the following order:
 - (a) Any state Matching Funds that have been allocated to your Individual Account will first be returned to the state Trust Fund to be used as the Governing Board deems appropriate;

 - (b) Then, taxes and trust expenses owed when you die will be covered;

 - (c) You then decide whether you want some or all of your account retained and held by the Governing Board for the benefit of other beneficiaries of Trust Fund II;

 - (d) Next, every state that has provided Medicaid benefits to you will be reimbursed for what they have spent for your care;

 - (e) Finally, if anything is left it can be distributed to the individuals or organizations that you choose. These are called the “Final Remainder Beneficiaries.”

3. Optional Percentage for Other Trust Fund Beneficiaries. You may choose to have some or all of your Individual Trust Account when you die retained and held by the Governing Board for the benefit of other beneficiaries of Trust Fund II. The Governing Board will determine the timing and amount paid to these other beneficiaries. If you make this choice, the percentage you designated will NOT be available to reimburse Medicaid for what it has paid for you and will NOT be available for any individuals or organizations that you choose to be your Final Remainder Beneficiaries.

If you choose to have a percentage held for other Trust Fund II beneficiaries, please specify the percentage

Percentage for Other Beneficiaries: _____%

4. Final Remainder Beneficiaries. When you die, if anything remains in your Individual Account **after** the optional percentage you have chosen to have retained for other Trust Fund II beneficiaries, **and after** every state that has provided Medicaid to you has been

reimbursed for all Medicaid expenditures on your behalf, you may designate individuals or organizations to receive what remains:

(a)
Name _____
Address _____

Is this person currently a Beneficiary of an Individual Trust Account in the Trust Fund I or Trust Fund II? (Yes/No) _____
If yes, would you like their share to go directly into their account? (Yes/No) _____
Telephone _____ **(a) Percentage of Final Remainder: _____%**

(b)
Name _____
Address _____

Is this person currently a Beneficiary of an Individual Account in the Trust Fund I or Trust Fund II? (Yes/No) _____
If yes, would you like their share to go directly into their account? (Yes/No) _____
Telephone _____ **(b) Percentage of Final Remainder: _____%**

(c)

Name _____

Address _____

Is this person currently a Beneficiary of an Individual Trust Account in the Trust Fund I or Trust Fund II? (Yes/No) _____

If yes, would you like their share to go directly into their account? (Yes/No) _____

Telephone _____ **(c) Percentage of Final Remainder:** _____%

(d)

Name _____

Address _____

Is this person currently a Beneficiary of an Individual Trust Account in the Trust Fund I or Trust Fund II? (Yes/No) _____

If yes, would you like their share to go directly into their account? (Yes/No) _____

Telephone _____ **(d) Percentage of Final Remainder:** _____%

(e)

Name _____

Address _____

Is this person currently a Beneficiary of an Individual Trust Account in the Trust Fund I or Trust Fund II? (Yes/No) _____

If yes, would you like their share to go directly into their account? (Yes/No) _____

Telephone _____ **(e) Percentage of Final Remainder:** _____%

TOTAL OF PERCENTAGES: **Total of percentages: _____%**
(Please verify that percentages in (a) through (e) total 100%.)

5. Deceased Beneficiaries. If any of the Final Remainder Beneficiaries listed above are deceased at the time of distribution, unless otherwise provided above, the funds that would have been distributed to that beneficiary will instead be distributed to his or her descendants, by right of representation (the greatest benefits are given to those closest in relation to the deceased). If such deceased beneficiary listed above does not have descendants, then his or her share shall lapse and be distributed in proportionate shares to all other above listed Final Remainder Beneficiaries.
6. Locating Final Remainder Beneficiaries. If the Final Remainder Beneficiaries cannot be located easily, the costs and expenses associated with locating such beneficiaries shall be recovered from the Individual Trust Account prior to its distribution to any of the Final Remainder Beneficiaries.

L. Fees:

The Primary Donor agrees to pay the enrollment fee in accordance with Schedule A, which is attached hereto and which may be amended from time to time on 60 days' notice to the Primary Donor. The Manager and Trustee are authorized to charge all other fees set forth on Schedule A to the Beneficiary's Individual Trust Account.

Fees are not refundable.

M. Management of Individual Trust Account/Disbursements:

1. The Individual Trust Account will be managed and administered as part of Trust Fund II.
2. The Primary Donor recognizes that all disbursements are discretionary and are primarily for the supplemental needs of the Beneficiary as determined by the Manager.

N. Contact Information Regarding the Individual Trust Account Disbursements and Other Matters:

Contact information for Trust Fund II and the Manager are included on Schedule B, as amended from time to time.

O. Miscellaneous:

1. The provisions of this Joinder Agreement II may be amended as the Primary Donor and the Manager may jointly agree, so long as any such amendment is consistent with the Trust Fund II Agreement and the then applicable law.

2. Taxes:
 - a. The Primary Donor acknowledges that the Manager has made no representation to the Primary Donor that contributions to Trust Fund II are deductible as charitable gifts, or otherwise.
 - b. The Primary Donor acknowledges that the Manager has made no representations to the Primary Donor as to the estate, gift, or income tax consequences of contributing funds to Trust Fund II and that the Primary Donor has been advised to seek independent legal and tax advice with respect to establishing an Individual Trust Account and execution of this Joinder Agreement II.
 - c. Individual Trust Account income, whether paid in cash or distributed in other property, may be taxable to the Beneficiary subject to applicable exemptions and deductions. It is recommended that the Primary Donor seek professional tax advice.
 - d. Individual Trust Account income may be taxable to the Individual Trust Account, and when this is the case, such taxes shall be payable from the applicable Individual Trust Account.

P. ACKNOWLEDGEMENT BY PRIMARY DONOR:

The Primary Donor acknowledges that he or she has been advised to have The Developmental Disabilities Endowment Fund Trust Fund II Agreement (the “Trust Fund II Agreement”) and this Joinder Agreement II reviewed by his or her own attorney prior to the execution of this Joinder Agreement II. In addition to and not in limitation of the provisions of the Trust Fund II Agreement, the Primary Donor agrees to the following:

The Primary Donor acknowledges that the Governing Board/Trustee is part of a Washington State Agency and is not licensed or skilled in the field of social services. The Primary Donor acknowledges and agrees that the Governing Board/Trustee may conclusively rely on the Manager to identify goods and services that may be of social, financial, developmental or other supplemental assistance to the Beneficiary.

The Primary Donor recognizes and acknowledges the uncertainty and changing nature of the guidelines, laws, and regulations pertaining to governmental benefits, and the Primary Donor agrees that the Governing Board, Trustee and/or Manager will not in any event be liable for any loss of benefits otherwise available to the Beneficiary as long as the Governing Board, Trustee and/or Manager do not act with willful dishonesty or commit intentional violations of law.

The Primary Donor acknowledges and agrees that each of the Governing Board, Trustee and/or Manager, their agents and employees, as well as their agent’s and employees’ heirs and legal representatives, shall not in any event be liable to any Primary Donor or Beneficiary or any other party for its acts as the Governing Board, Trustee and/or

Manager so long as it does not act with willful dishonesty or commit intentional violations of law.

The Primary Donor acknowledges that no member of the Governing Board, the Manager or the Trustee shall be considered an insurer of Trust Fund II or any Individual Trust Account.

The Primary Donor acknowledges that members of the Governing Board and the Trustee are not liable to the state, to Trust Fund II, or to any other person as a result of their activities as members or the Trustee, whether ministerial or discretionary, except for willful dishonesty or intentional violations of law.

The Primary Donor acknowledges that upon execution of this Joinder Agreement II by the Primary Donor and the Manager, and the funding of an Individual Trust Account for a Beneficiary, that Trust Fund II and the Individual Trust Account, as to the Primary Donor and the Beneficiary, is irrevocable. The Primary Donor acknowledges that after the funding of an Individual Trust Account, the Primary Donor shall have no further interest in and does thereby relinquish and release all rights in, control over, and all incidents of ownership of any kind or nature in and to the contributed assets and all income and appreciation thereon.

The Primary Donor represents, warrants and agrees that he or she has not been provided, nor is he or she relying on, any representation of or any legal advice by the Trustee, the Manager, the Governing Board or their agents, employees or representatives in deciding to execute this Joinder Agreement II.

The Primary Donor further represents, warrants, and agrees:

- 1. that he or she is entering into this Joinder Agreement II voluntarily, as his or her own free act and deed;**
- 2. that the Beneficiary is the contributor of the assets and that the assets contributed to this Trust Fund II are not owned by or contributed by a third party;**
- 3. that he or she has been provided a true and correct copy of the Trust Fund II Agreement and this Joinder Agreement II prior to signing this Joinder Agreement II;**
- 4. that if he or she has not had the Trust Fund II Agreement or the Joinder Agreement II reviewed by his or her own attorney, that he or she voluntarily waives and relinquishes such right;**
- 5. that he or she has reviewed and understands to his or her full satisfaction the legal, economic and tax effects of these instruments; and**

6. that Trust Fund II or its designee may be a Final Remainder Beneficiary of a portion of the Individual Trust Account established hereby upon the death of the Beneficiary.

Q. FEDERAL TAXES; INDEMNIFICATION BY PRIMARY DONOR:

The Primary Donor acknowledges that the Individual Trust Account will be treated as a grantor trust for federal income tax purposes as provided under Internal Revenue Code §671 *et. seq.* and the regulations thereunder. All allocable income, gains or losses of such Individual Trust Account shall be reported on the Beneficiary's federal income tax return and taxable to the Beneficiary. The Beneficiary and the Primary Representative shall be responsible for completing, signing, and mailing the annual income tax return for the Beneficiary which are applicable to any income of the Individual Trust Account passed through and taxable directly to such Beneficiary under the rules and regulations of the Internal Revenue Code. The Primary Donor hereby agrees to indemnify the Trustee, the Manager and Trust Fund II from any and all claims for income tax liabilities of such Beneficiary of an Individual Trust Account which is treated as a grantor trust for federal income tax purposes.

R. TRUST CONTROLS:

In the event there are any inconsistencies between this Joinder Agreement II and the Trust Fund II Agreement, the provisions of said Trust Fund II Agreement shall control. To the extent there is a conflict between the terms of this Joinder Agreement II, the Trust Fund II Agreement and the applicable laws and regulations of the State of Washington, the laws and regulations shall control.

IN WITNESS WHEREOF, the undersigned Primary Donor has reviewed and signed this Joinder Agreement II, understands it and agrees to be bound by its terms, and the Manager has accepted this Joinder Agreement II, the parties hereby execute this Joinder Agreement II to be effective as of the ____ day of _____, 201__.

Primary Donor

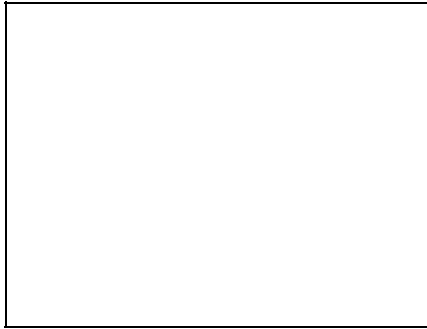
The Arc of Washington State, as Manager

By: _____
Name: _____
Title: _____

STATE OF WASHINGTON)
) ss:
COUNTY OF _____)

This instrument was acknowledged before me by _____ as Primary Donor,
on the _____ day of _____, 20____.

Dated: _____.



(Use this space for notarial stamp/seal)

Notary Public
Print Name _____
My commission expires _____

STATE OF WASHINGTON)
) ss:
COUNTY OF _____)

This instrument was acknowledged before me by _____, an agent of The Arc
of Washington State, on the _____ day of _____, 20____.

Dated: _____.



(Use this space for notarial stamp/seal)

Notary Public
Print Name _____
My commission expires _____