# THIRD PARTY SPECIAL NEEDS TRUST

**Trust Name:** Example Supplemental Needs Trust
**Governing State:** DC
**Effective Date:** November 1, 2026

This Trust Agreement (this "Trust Agreement") is entered into and made effective as of November 1, 2026 (the "Effective Date"), by and between **Elena Rivera**, with an address of 482 Sunset Boulevard, Los Angeles, CA 90027 (the "Grantor"), and **Sofia Rivera-Chen**, with an address of 22 Example Way, Seattle, WA (the "Trustee"), for the sole benefit of **Michael Rivera**, with an address of 31 Example Lane, Columbus, OH (the "Beneficiary").

## Recitals

WHEREAS, the Beneficiary is an individual with a disability who is, or may in the future become, eligible for means-tested public-assistance benefits, including Supplemental Security Income (SSI) under Title XVI of the Social Security Act and medical assistance (Medicaid) under Title XIX of the Social Security Act;

WHEREAS, the Grantor desires to establish an irrevocable trust to hold property for the supplemental — and not the basic — support of the Beneficiary, in a manner that does not disqualify the Beneficiary from such means-tested benefits;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor and Trustee agree as follows.

## Article I — Name, Purpose, and Intent

**1.1 Name.** This trust shall be known as the **Example Supplemental Needs Trust**. It shall be sufficient that it be referred to as such in any deed, assignment, bequest, or devise by that name.

**1.2 Supplemental Needs Purpose.** It is the intention of the Grantor to establish a supplemental needs trust which preserves the Beneficiary's eligibility for means-tested benefits, while at the same time making funds available for the Beneficiary's supplemental needs which may not be provided for by means-tested benefits, as deemed appropriate and in the absolute discretion of the Trustee. **No part of the principal or income of this trust shall be used to supplant or replace any public-assistance benefits received by the Beneficiary from or through any county, state, federal, or other governmental agency.** This trust is intended to qualify for exclusion from resource-counting under the Social Security Administration's Program Operations Manual System (POMS) SI 01120.200 and SI 01120.201, and for exclusion from Medicaid resource-counting under 42 U.S.C. §1396p(d).


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**1.3 Initial Funding.** The Grantor has transferred to the Trustee the property described on **Schedule A** hereto, with an approximate aggregate value of **$250,000.00** (two hundred fifty thousand dollars and 00/100), consisting of: $150,000 in a diversified portfolio of publicly-traded securities held in a brokerage account; $100,000 in certificates of deposit issued by First California Bank.. The Grantor confirms that the property funding this trust originates with the Grantor and does not belong, and has never belonged, to the Beneficiary.

**1.4 Additional Contributions.** Additional property may be added to this trust from time to time by the Grantor or, with the Trustee's written consent, by any other person, by deed, assignment, bequest, devise, or other lawful means, and shall thereupon become subject to all terms of this Trust Agreement. Additional contributions may be made without the Trustee's consent in the case of proceeds of life insurance, bequests under a will, or beneficiary designations naming this trust.

## Article II — Irrevocability, Spendthrift, and Governing Law

**2.1 Irrevocability.** This Trust Agreement is **irrevocable**, and once executed may not be changed, amended, altered, or revoked except as expressly provided herein. In no event shall any change be effective that would: (a) alter the Beneficiary designation expressed herein; (b) expand the Beneficiary's rights in or control over the trust; (c) cause the trust to fail to qualify as a supplemental needs trust under SSA POMS or applicable Medicaid rules; or (d) otherwise defeat the supplemental-needs purpose. The Grantor hereby surrenders all rights to amend, alter, or revoke this trust, except that the Trustee may make administrative amendments that do not affect the foregoing matters.

**2.2 Spendthrift Provision.** The trust made by this Trust Agreement shall be a spendthrift trust to the fullest extent allowed by law. The Beneficiary may not voluntarily assign an interest before distribution, to the extent permitted by law. Creditor access, exceptions to spendthrift protection, and mandatory reimbursement obligations are governed by applicable law; this clause does not create immunity that the law does not provide. No Beneficiary interest may be anticipated, assigned, pledged, or hypothecated.

**2.3 Governing Law.** This Trust Agreement shall be governed by and construed in accordance with the laws of the State of DC, without regard to its conflict-of-laws principles. Trust situs shall be DC, and all administrative and judicial proceedings concerning this trust shall occur in DC unless the Trustee, in the Trustee's discretion, changes situs as permitted by applicable law.

## Article III — Trustee Discretion, Distributions, and Beneficiary Restrictions

**3.1 Absolute Discretion of Trustee.** The Trustee shall have **sole discretion, subject to applicable fiduciary duties and mandatory law** to pay to or for the benefit of the Beneficiary such amounts from the income and principal of the trust as the Trustee determines, in the Trustee's absolute judgment, to be appropriate for the Beneficiary's supplemental needs. Distributions shall be non-support and supplemental in nature. **Under no circumstances may the Beneficiary compel any distribution from this trust for**


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**any purpose.** The Trustee's discretion in making non-support distributions is final, even if the Trustee elects to make no distributions at all. The absolute and independent judgment of the Trustee, rather than any other party's determination, is intended to be the criterion on which distributions are made. This clause does not exclude judicial review or excuse a breach of fiduciary duty where applicable law provides otherwise. This trust is not a support trust, and no legal obligation of support owed by any person to the Beneficiary is or shall be satisfied by any distribution hereunder.

**3.2 Permissible Supplemental Distributions.** Without limiting the Trustee's discretion under Section 3.1, the Trustee may, in the Trustee's absolute discretion, make distributions for the following categories of supplemental needs:

- Education, tutoring, vocational training, and related materials;
- Transportation, including acquisition, maintenance, insurance, and operation of a vehicle for the Beneficiary's use;
- Recreation, entertainment, hobbies, and related supplies and memberships;
- Medical, dental, vision, and hearing services, equipment, and supplies not covered by Medicaid or other public benefits;
- Computers, smartphones, tablets, internet service, and assistive technology;
- Personal care attendants and companion services beyond what is provided by Medicaid;
- Fees of attorneys, accountants, financial advisors, care managers, and social-service organizations for services benefiting the Beneficiary;
- Any other goods or services the Trustee determines, in the Trustee's absolute discretion, supplement and do not supplant the Beneficiary's means-tested benefits.

**Savings construction.** Should the mere existence of any subparagraph of this Section 3.2 be read to cause a loss or diminution of need-based public benefits, then that subparagraph shall be stricken in favor of the more restrictive provisions herein, and the Trustee's absolute discretion under Section 3.1 shall control.

**3.3 Distributions and SSI.** For support received on or after September 30, 2024, a meal, groceries delivered to the Beneficiary, or food bought directly from a vendor for the Beneficiary does not count as federal SSI in-kind support and maintenance. The date the Beneficiary receives assistance controls. Cash given to the Beneficiary, including cash to reimburse grocery expenses, and a gift card usable for food, shelter or cash can count as unearned income, subject to applicable exclusions. Record the payee, item, amount and date of receipt. For a card, also record its restrictions and whether it can be sold or converted to cash.

Shelter supplied or paid for by others can affect SSI. The one-third reduction generally applies when the Beneficiary lives in another person’s household for a full calendar month, receives shelter from others there, and household members provide or pay for all of the Beneficiary’s meals. Meals help determine


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which valuation rule applies even though their value is excluded. Under the one-third rule, SSA counts one-third of the applicable federal benefit rate. Otherwise, the presumed maximum value for countable shelter is one-third of that rate plus $20. The Beneficiary may show that the shelter's current market value less their payment, or the amount someone actually pays for it, is lower. The ceiling does not predict the amount of a benefit reduction.

Before making distributions, the Trustee shall evaluate the current SSI and Medicaid consequences, including applicable exclusions, with a qualified benefits adviser. For assistance received before September 30, 2024, use the rules applicable to that period. Medicaid rules, the law governing this trust and the Beneficiary's circumstances require separate review.

**3.4 Restrictions on Beneficiary.** Notwithstanding any other provision of this Trust Agreement, and to preserve the Beneficiary's eligibility for means-tested benefits:

1. The Beneficiary **shall not** serve as sole Trustee or co-Trustee of this trust;
2. The Beneficiary **shall not** remove any Trustee;
3. The Beneficiary **shall not** appoint any successor Trustee;
4. The Beneficiary **shall not** direct, assign, distribute, or authorize any distribution from the trust;
5. The Beneficiary **shall not** hold any power of appointment — general or special — over any trust property; and
6. The Beneficiary **shall not** withdraw any property from the trust.

Any purported exercise by the Beneficiary of any of the foregoing powers shall be void ab initio.

**3.5 Benefits and Creditor Treatment.** Benefits agencies and courts determine the treatment of this trust under applicable law. A statement in this agreement cannot itself exclude an asset, defeat a creditor or reimbursement claim, or preserve eligibility. If a term creates an eligibility concern, the Trustee shall obtain legal advice and any required court or agency approval before relying on an amendment or disregarding that term.

**3.6 Access to Health and Benefits Records.** This trust does not itself authorize disclosure of protected health information. Before obtaining records, the Trustee shall establish a lawful basis for access, such as a separate valid authorization satisfying 45 C.F.R. §164.508 or authority as a personal representative under applicable law. Any authorization must identify the information, disclosing and receiving persons, purpose, expiration, signature and representative authority, and required notices about revocation, conditioning and redisclosure. Benefits agencies may require their own authorization or representative forms. Signing this trust does not substitute for those forms.


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## Article IV — Trustee Powers, Succession, and Compensation

**4.1 Trustee Powers.** In addition to all powers granted by applicable law (including the Uniform Trust Code and the Uniform Prudent Investor Act as adopted in DC), the Trustee shall have full power and authority to: (a) invest and reinvest trust assets in any kind of property, real or personal, including stocks, bonds, mutual funds, exchange-traded funds, and real property, applying the prudent-investor standard; (b) retain any property originally contributed to the trust without liability for depreciation; (c) sell, exchange, lease, mortgage, or otherwise dispose of trust property on such terms as the Trustee deems appropriate; (d) borrow money for trust purposes and pledge trust property as security; (e) employ agents, attorneys, accountants, investment advisors, and care managers and pay their reasonable compensation; (f) maintain, pay premiums on, and exercise rights under life-insurance policies; (g) pay all taxes, assessments, and administrative expenses; (h) execute all documents necessary to administer the trust; (i) make distributions in cash or in kind, and in such proportions among permissible distributees as the Trustee determines; (j) open and maintain an ABLE account for the Beneficiary and fund it from trust assets; and (k) obtain an Employer Identification Number (EIN) and file all required federal and state tax returns.

**4.3 Successor Trustees.** Upon the death, resignation, incapacity, or removal of the Trustee, **Pacific Trust Company, N.A., with an address of 555 California Street, 20th Floor, San Francisco, CA 94104** shall serve as successor Trustee. If no named successor is able and willing to serve, any interested person (other than the Beneficiary) may petition a court of competent jurisdiction to appoint a successor Trustee, which may be a corporate or professional fiduciary. No successor Trustee shall be the Beneficiary, nor any person whose service would cause the trust to become a countable resource of the Beneficiary under SSI or Medicaid rules.

**4.4 Trustee Compensation.** The Trustee shall be entitled to reasonable compensation for services rendered, commensurate with the complexity of administration and the skill required, plus reimbursement for reasonable expenses.

**4.5 Trustee Liability and Exculpation.** The Trustee shall not be liable for any loss, damage, or expense resulting from any act or omission performed in good faith and consistent with the terms of this Trust Agreement and the prudent-investor standard, except for liability arising from the Trustee's own fraud, willful misconduct, or gross negligence. The Trustee shall not be liable to the remainder beneficiaries in the event that the trust assets are exhausted by providing for the Beneficiary's supplemental needs in accordance with this Trust Agreement.

## Article V — Termination and Remainder

**5.1 Termination Events.** This trust shall terminate upon the earliest of: (a) the death of the Beneficiary; (b) the exhaustion of trust assets; or (c) the order of a court of competent jurisdiction terminating the trust.


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**5.5 Remainder Beneficiaries.** After payment of all expenses, taxes, and final obligations, the remaining principal and accumulated income of the trust shall be distributed to the following remainder beneficiaries:

Jordan Example, subject to the applicable payback and remainder provisions.

If any named remainder beneficiary predeceases the Beneficiary, that share shall be distributed **per stirpes to the predeceased beneficiary's descendants**.

## Article VI — Rule Against Perpetuities

**6.1 Rule Against Perpetuities — Savings Clause.** All distributions required by this Trust Agreement and the final accounting of the trust must be accomplished no later than twenty-one (21) years after the last to die of the expressly named remainder beneficiaries or, if all such beneficiaries are charities, twenty-one (21) years after the death of the Beneficiary. No judicial modification of this Section 6.1 shall be permitted except as required to preserve the supplemental-needs purpose of the trust.

## Article VII — State-Specific Provisions

## Article VIII — Miscellaneous

**8.1 Notices.** Notices under this agreement shall be in writing and delivered to the relevant party at the address stated above, or an updated address supplied in writing. Statutory notices, court filings, agency reporting, and accounting duties remain subject to applicable law.

**8.2 Interpretation.** The Trustee shall administer this agreement subject to mandatory law and applicable court orders. If a provision cannot lawfully be applied, the Trustee shall obtain any necessary instructions or approval before relying on a modification. A statement of intent in this agreement does not determine public-benefit eligibility or bind an agency or court.

## Execution and Acceptance

The Grantor adopts this agreement and the funding schedule below, subject to completion of the applicable execution and transfer requirements.

Grantor: **Elena Rivera**

**Grantor**

_____ SIGNATURE

_____ DATE


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The undersigned Trustee accepts the appointment and agrees to administer property actually received under this agreement, subject to its terms and applicable law.

Trustee: **Sofia Rivera-Chen**

**Trustee**

_____ SIGNATURE

_____ DATE

**Execution witnesses.** Complete any required witness procedure for the governing jurisdiction and type of instrument. These blanks alone do not establish compliance with that procedure.

| **Witness 1** | **Witness 2** |
| --- | --- |
| _____ PRINTED NAME | _____ PRINTED NAME |
| _____ SIGNATURE | _____ SIGNATURE |
| _____ DATE | _____ DATE |

**Notarial certificate.** Have the authorized notary attach and complete the certificate appropriate to the governing jurisdiction and the act performed. This instruction is not a completed acknowledgment or jurat.

## Schedule A — Funding Record

Trust: **Example Supplemental Needs Trust**
Description of intended initial property: $150,000 in a diversified portfolio of publicly-traded securities held in a brokerage account; $100,000 in certificates of deposit issued by First California Bank.
Estimated value: $250,000.00

Listing property here does not itself complete a deed, assignment, account retitling, beneficiary designation, court approval, or other required transfer. Maintain records identifying each asset, its owner and source, date actually received, and any transfer document or court order. The Trustee shall confirm receipt before recording property as funded.

Property actually received / transfer reference: _____
Date received: _____
Trustee confirmation: _____


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