

THE JASON J. JONES SUPPLEMENTAL-NEEDS TRUST

We, Jean Jones and Jeremy Jones), both of _____ establish this declaration of trust on _____, 2013.

Section 1. Establishment of Third-Party Supplemental Needs Trust

1.1 Name of Trust. The name of this trust is The Jason J. Jones Supplemental-Needs Trust.

1.2 Irrevocability of Trust. This trust is an irrevocable trust.

1.3 Initial Trustees. The initial trustees are Jean Jones (Jean) and Jeremy Jones (Jeremy).

1.4 Beneficiary. This trust is for the benefit of our son, Jason J. Jones (Jason), an individual with a disability.

1.5 Trust Funding.

(a) Initial Trust Funding. We have transferred one dollar to ourselves as trustees of The Jason J. Jones Supplemental-Needs Trust.

(b) Additions to Trust. Either or us or any other person [other than Jason] may at any time transfer other property to the trustees; and the trustees may be entitled upon the death of either of us to other property, the proceeds of individual retirement accounts, or other retirement arrangements or to insurance on the life of either of us. All such property, all rights in any such insurance and the proceeds of any such insurance (referred to in this trust collectively as the "trust estate") shall be received and held, upon trust, as set forth in this instrument.

1.6 Our Intention. We believe that it is in Jason's best interests to establish a trust with discretionary and spendthrift provisions to enhance the quality of Jason's life both now and in the future. We intend that this trust provide benefits to supplement those which may otherwise be available to Jason from various sources, including insurance benefits and governmentally sponsored programs. It is our intention that Jason receive all government entitlements to which Jason would otherwise be entitled but for the distributions hereunder. We recognize that in view of the vast costs involved in caring for a person with disabilities, a direct distribution to Jason would be rapidly dissipated. The purpose of the trust is to permit the use of trust assets to supplement any benefits or assistance of any federal, state or other governmental entity for which Jason may be eligible or which Jason may be receiving. The trustees shall use principal and income of Jason's Trust to provide Jason with those benefits and services which in the sole and absolute discretion of the trustees are not otherwise available to Jason from such other sources. All provisions of this trust shall be interpreted to qualify this trust as a Supplemental Needs Trust. Any provisions of this trust which may prevent this trust from being interpreted as a Supplemental Needs Trust shall be null and void.

Section 2. This Trust is Not a Resource of Jason J. Jones

This trust is not a resource of Jason J. Jones, the beneficiary of the trust, because, pursuant to Social Security Administration's Program Operations Manual System (POMS), it is a third-party, irrevocable trust which contains no assets of Jason J. Jones and Jason does not have the legal authority to revoke or terminate the trust or to direct the use of trust assets for his own support and maintenance.

(a) Jason J. Jones is the beneficiary of the trust, not the grantor or trustee. (See paragraph 1.4 of the trust).

(b). The trust is irrevocable (See paragraph 1.2 of the trust). Jason has no authority to revoke or terminate the trust or to use principal for his support and maintenance. (See paragraph 4.3 of the trust).

(c) Jason has no access to trust principal (See paragraphs 4.1, 4.2, and 4.3 of the trust).

(d) The trust provides for payments on Jason's behalf (see paragraph 6.5 of the trust).

(e) Jason has no right to any income of the trust (See paragraphs 4.1, 4.2, and 4.3 of the trust).

(f) The trust contains a spendthrift clause that prohibits the voluntary and involuntary alienation of any trust payments (See paragraph 6.14 of the trust).

(g) This trust was established on or after January 1, 2000 and contains only assets of third parties transferred to the trust after January 1, 2000. POMS SI 01120.200A.2.b. and SI 01120.200B.17. (See paragraph 1.5 of the trust).

(h) The trust is irrevocable. (See paragraph 1.2 of the trust). Although Jason J. Jones is the sole beneficiary of the trust during his lifetime, the trust has named residual beneficiaries who will receive the trust principal upon Jason's death. POMS SI 01120.200D.3. (See Section 5 of the trust).

(i) The trust is a discretionary trust. POMS SI 01120.200B.10. The trustees of the trust have full discretion as to the time, purpose and amount of all distributions of income and principal. (See paragraphs 4.1 and 4.2 of the trust). The trustee may pay to or for the benefit of the beneficiary, all or none of the trust as he/she considers appropriate. (See paragraphs 4.1 and 4.2 of the trust). Jason, the beneficiary, has no control over the trust. (See paragraph 4.3 of the trust).

(j). This trust is not a countable resource of Jason's under POMS SI 01120.200D.1.a. and b. because

(i) Jason does not have legal authority to revoke or terminate this trust. (See paragraphs 1.2 and 4.3 of the trust).

(ii) Jason cannot direct the use of trust principal for his support and maintenance. (See paragraph 4.3 of the trust).

(iii) Because the trust has a spendthrift provision that is valid under [] law, [cite law], Jason's beneficial interest in the trust is not countable as a resource. POMS SI 01120.200B.16.

Section 3. Trustees

3.1. Appointment of trustees. We are the initial trustees. If either of us dies, becomes incapacitated, or is otherwise unable or unwilling to act as trustee, the other of us shall continue to serve as sole trustee. If both of us cease to serve as trustees, our friend, [], shall become the trustee.

3.2. Designating Successor Trustees. (a) Notwithstanding any other provisions of this trust, both of us acting together while we are serving as trustees, or the one of us who is serving as sole trustee acting alone, may at any time or times appoint additional or different successor trustees, any such appointment to be revocable until the appointing trustees or trustee cease to serve. No exercise of this power nor any revocation of an appointment shall exhaust this power.

(b) Subject to the foregoing provisions of Section 3, any sole trustee may appoint his or her or its successor trustee, such appointment to be revocable until the appointing trustee ceases to serve. No exercise of this power nor any revocation of an appointment shall exhaust this power.

(c) If, notwithstanding the foregoing, there shall ever be no trustee, the court having jurisdiction of this trust shall appoint a successor trustee.

3.3. Jason Shall Not Serve as Trustee. Jason shall not be appointed to serve as a trustee or cotrustee of this trust at any time.

3.4. Delegation of Duties Between Trustees. Any individual trustee may from time to time delegate all or any of the powers or discretions vested in such trustee to the cotrustee, if any. Any trustee acting alone may perform any ministerial act, including, without limitation, signing checks and withdrawal orders and endorsing checks.

3.5. Waiver of Bond. No trustee shall be required to furnish any bond or surety.

3.6. Definition of "Trustee". The term "trustee" includes the initial trustees and all successor or additional trustees.

3.7. How Individual Trustee Ceases to Serve. Any individual trustee shall cease to serve without necessity of judicial action upon disability determined by (a) filing with the cotrustee (or the successor trustee or trustees designate) a written determination that such individual trustee is no longer able to make decisions concerning the trust or (b) appointment of a guardian or conservator of such individual trustee. If a physician shall refuse to provide such written determination to the cotrustee (or the successor trustee or trustees designate), then the cotrustee (or the successor trustee or trustees designate) may, in writing to the individual trustee then serving, request such trustee to obtain, and provide to the cotrustee (or the successor trustee or trustees designate), a written determination as to whether or not such trustee is under a disability. Upon receipt by the cotrustee (or the successor trustee or trustees designate) of a written determination of disability of the then serving individual trustee and upon written acceptance of the successor trustee or trustees, if any, as provided herein, the then serving individual trustee shall cease to serve. If the cotrustee (or the successor trustee or trustees designate) does not receive, within thirty (30) days of such written request to such individual trustee, a written determination that such trustee is not disabled, the cotrustee (or the successor trustee or trustees designate) shall certify in writing that a written request was delivered to the individual trustee then serving and that no written determination was received within such thirty (30) day period. Thereupon, and upon written acceptance of the successor trustee or trustees designate, if any, as

provided herein, such then serving individual trustee shall cease to serve. Any written determination hereunder shall be made by a physician and shall be in the form of a certificate or affidavit made by the physician. For purposes of this paragraph, the term "physician" shall mean the attending physician of the individual trustee then serving, a physician who has examined or treated such trustee within twelve (12) months of the date of such written determination, or any other physician who may be principally responsible for such trustee's care from time to time (determination as to whether such physician meets the criteria set forth herein to be made solely by the cotrustee (or the successor trustee or trustees designate). Any third party shall rely upon a copy of the affidavit or certificate referred to in this paragraph as to the disability of an individual trustee hereunder and shall not be required to make an independent determination of such disability.

3.8. Duly Acknowledged Instrument Required. Each acceptance, appointment, delegation, or resignation hereunder shall be made by an acknowledged instrument. Copies shall be given to all trustees.

3.9. Certificate of Trustee's Authority. Anyone dealing with the trust property may rely on a writing signed by any trustee as to the trustee's authority to act on behalf of the trust.

3.10. Rights and Powers of Successor Trustees. Each successor or additional trustee shall have all the rights and powers of the original trustee, except as limited by this agreement or by law. Title to the trust fund shall vest in each successor or additional trustee by virtue of the trustee's appointment and acceptance without any further instrument of transfer or conveyance.

3.11. Accounting. The trustee shall file accounts in accordance with the law of the state having jurisdiction over this trust. A trustee need not require an accounting by or pursue any claim against any predecessor trustee and shall be responsible only for trust assets on hand at the date of such trustee's appointment.

Section 4. Provisions for Jason

The trustees shall hold the trust estate (including any additions to the trust estate by reason of the death of either of us or otherwise) as "The Jason J. Jones Supplemental-Needs Trust" (sometimes referred to as "Jason's Trust"), upon trust, as hereinafter set forth.

4.1. Payment of Income and Principal. As long as Jason is living the trustees may, at any time or times, pay all or any portion of the net income and principal of Jason's Trust to or for Jason as the trustees shall in their sole and absolute discretion deem advisable. Net income not so paid shall be added to principal.

4.2. Discretionary Trust. This trust is a discretionary trust, not a support trust. Payment of income and principal for Jason shall be in the sole and absolute discretion of the trustees. In exercising their discretion whether to pay income or principal to Jason, the trustees shall take into account all circumstances, including, but not limited to, Jason's eligibility for governmental benefits.

4.3. No Direction or Control by Jason or Others. Neither Jason nor Jason's guardian, conservator, or attorney shall have right, power, or authority to direct use of trust principal or income for Jason's support and maintenance or for any other purpose or to revoke or modify this trust in any respect. No state or federal agency shall have any right, power, or authority to require payments from income or principal for any purpose.

4.4. Examples of Supplemental-Needs Payments for Jason. Subject to the foregoing provisions of this section, the trustees shall use principal and income of Jason's Trust in the sole and absolute discretion of the trustees to make Jason's life as normal, comfortable and fulfilling as possible, including, as examples only, but without limitation, (a) to pay for travel by Jason away from Jason's residence (including payments for expenses of drivers or taxi cabs and for aides or companions to accompany Jason); (b) to provide funds for attendance at movies or shows or sporting events (including payments for expenses of drivers or taxi cabs and for aides or companions to accompany Jason); (c) to pay for medical and dental services (and to purchase insurance for such services) for Jason if such services are not paid for by private insurers or any

governmental authorities; (d) to pay for services rendered to Jason by therapists and other professional persons, provided, that such persons do not render such services in their capacity as employees of any governmental authority or as employees of the place where Jason resides; (e) to purchase items for Jason's use and enjoyment such as books, magazines, computer, radio, television, cellphone, or musical equipment; (f) to pay education expenses for Jason; and (g) to purchase pets for Jason, including pet supplies and veterinarian expenses.

4.5. Employment of Experts and Advisors. In making any determinations hereunder the trustees may consult with and may employ people knowledgeable about disabilities, including, but not limited to, social workers, case workers, social services agencies and persons in the field of disability law and governmental assistance programs, to assist the trustees in obtaining personal, health care, maintenance, residential, and support benefits and services to which Jason may be entitled from public, private, and charitable sources; to provide or oversee care for Jason; to assist the trustees in making decisions about appropriate distributions from Jason's Trust for Jason; and to provide legal advice regarding this trust, but any determinations pursuant to the foregoing provisions of this section shall be in the sole and absolute discretion of the trustees. The trustees are exonerated from any liability for relying upon the advice of any such person or agency, provided that the trustees have selected and retained such person or agency with reasonable care. The trustees shall pay the expenses of such employment or consultations from Jason's Trust as additional costs of administration.

Section 5. Distribution of Trust Upon Jason's Death

5.1. Primary Disposition. Upon Jason's death, the trustees shall distribute Jason's Trust, subject to the provisions of paragraph 6.8, *per stirpes* to his descendants then living. If no descendants of Jason are living at his death, the trustees shall distribute Jason's trust to our daughter, Janine Jones (Janine), if she is then living. If no descendants of Jason are living at his death and Janine is not then living, the trustees shall distribute Jason's Trust, subject to the provisions of paragraph 6.8, *per stirpes* to Janine's descendants living at Jason's death.

5.2. Contingent Disposition. If Jason's Trust is not effectively disposed of under the foregoing provisions, then at the end of the interests effectively disposed of the same shall be distributed one half (1/2) to Jean's heirs-at-law; and one half (1/2) to Jeremy's heirs-at-law. A distribution to the heirs-at-law of a named person shall be made to those persons who would be entitled to inherit real estate situated in _____ from such named person under the laws of that State as if he or she had then died intestate and unmarried, and in the same proportions to which they would be so entitled.

Section 6. Definitions and Administrative Provisions

6.1. Headings. The headings contained in this trust are for convenience only and shall not affect in any way the meaning or interpretation of this trust.

6.2. Trust Estate and Jason's Trust: Definitions. The terms "trust estate" and "Jason's Trust" include accumulations and reinvestments.

6.3. Inclusion of Adopted Individuals. Any reference herein to a child, children, or descendants shall include a child, children, or descendants claiming not only by blood but also by adoption, if such adoption occurred under age twenty-one (21).

6.4. Per Stirpes Distributions. Whenever herein a distribution is directed to be made *per stirpes* to the descendants then living of any person then deceased, such distribution shall be made to the then living children of any such person and to the then living descendants of any such child who shall then have died, such children to take in equal shares and such descendants through all degrees to take *per stirpes* the share or respective shares which his, her, or their parent or respective parents would have taken if then living.

6.5. Discretionary Distributions to Certain Beneficiaries. The trustees may make any discretionary distribution of income or principal to Jason (or after Jason's death to any beneficiary under age 21) in one or more of the following ways, as the trustees shall in their sole and absolute discretion deem advisable: (a) directly to such beneficiary; (b) by applying income

or principal for such beneficiary's benefit; (c) by paying it to the beneficiary's custodian under a Uniform Transfers to Minor's Act or custodial trustee and, for that purpose, to create a custodianship or custodial trust (of which a trustee may be a custodian or custodial trustee); (d) to a tuition savings account or prepaid tuition plan as defined in Section 529 of the Internal Revenue Code or to an Education IRA for the benefit of such beneficiary; (e) to any agent under a power of attorney created by such beneficiary; and (f) to a relative of, or person residing with, or having custody of, such beneficiary. The trustees shall not be required to see to the application of any distribution, and the receipt of any such distributee shall fully discharge the trustees.

6.6. Additions, Combinations. The trustees are authorized to receive additions to any trust hereunder and may, if the trustees shall deem it advisable, combine any trust hereunder with any other trust, whether created by either of us or any other person, if the terms of the trusts are substantially the same and the trustees are the same.

6.7. Disclaimers. The trustees are authorized to refuse, disclaim, or decline to act with respect to any property to be added to any trust hereunder, whether for administrative considerations, avoiding potential liability for environmental or business matters, or otherwise.

6.8. Distribution of Share to Beneficiaries Under 21. If, after Jason's death, any assets shall become distributable, subject to the provisions of this paragraph, to a beneficiary who is under age twenty-one (21), the trustees may (a) at any time distribute the same to a custodian (including a trustee) for such beneficiary under any Uniform Transfers or Gifts to Minors Act or (b) continue to hold the same in trust, and shall pay to such beneficiary so much of the net income and principal from time to time as the trustees shall deem advisable for the health care, maintenance, support, or education of such beneficiary (net income not so paid to be added to principal) until such beneficiary attains age twenty-one (21) or dies under that age. Thereupon the trustees shall distribute such assets to such beneficiary, if then living, or if not then living, to such beneficiary's executors or administrators.

6.9. Division of Trust. The trustees may divide any trust or trusts hereunder into separate trusts, as the trustees shall deem advisable in all the circumstances, including any tax, investment, administrative, or other consideration.

6.10. Distribution of Specific Assets. The trustees, in making a discretionary distribution of income or principal, may distribute specific assets (whether or not such assets constitute principal or income) in lieu of cash.

6.11. Occupancy of Real Estate. If any residential real estate shall be held as part of Jason's Trust the trustees may permit Jason and any members of Jason's household to occupy such real estate rent free. Notwithstanding the foregoing, the trustees may sell or lease such real estate if the trustees shall deem it advisable.

6.12. Payments Upon Jason's Death. To the extent Jason's estate shall be insufficient to pay the expenses of Jason's funeral and disposition of his remains, the trustees, without requiring reimbursement from anyone, shall pay from Jason's Trust such sum or sums as the trustees shall in their sole discretion deem advisable without regard to statutory limits. Notwithstanding the foregoing, the trustees may at any time prior to Jason's death purchase a prepaid funeral for Jason in such amount as the trustees shall deem advisable.

6.13. Life Insurance Payable to Trust. Neither we nor any trustee shall be required to pay premiums on any insurance payable to this trust or to keep any such insurance in force.

6.14. Spendthrift Provision. No beneficiary shall assign, transfer, or encumber in any way any interest in net income or principal of any trust hereof, nor shall any such interest be subject to any legal process, bankruptcy proceeding, or interference or control by creditors.

6.15. Compliance with Federal and State Law . This trust is intended to allow Jason to receive Medical Assistance benefits pursuant to Title XIX of the Social Security Act (Title XIX) and Supplemental Security Income pursuant to Title XIV of the Social Security Act. The trustees may, without necessity of judicial action, by an instrument filed with the trust records, amend the

trust solely for the purpose of effectuating this intent and to comply with the provisions of other governmental programs or state or federal statutes and regulations so as to allow Jason to obtain benefits for persons with disabilities.

6.16. Governing Law. _____ law shall govern the validity, construction, effect, and administration of this trust. Notwithstanding the foregoing, the trustees may change the principal place of administration of any trust hereunder to a jurisdiction other than _____ if the trustees believe it to be in the best interests of the trust and of Jason and the trustees may elect that the laws of such other jurisdiction shall govern the administration of this trust, but not the validity or construction of the trust, from and after the date of such change of situs.

Section 7. Powers of Trustees

The trustees shall have all statutory powers set forth in [cite applicable section of your state's law], and in addition thereto and not in limitation thereof, shall have the following powers without order or license of any court:

7.1. Investments. To invest and reinvest trust assets (or to leave them temporarily uninvested) in any type of property, including real estate, and every kind of investment in the same manner as a prudent investor would invest his or her own assets.

7.2. Transactions with Trust Property. To sell trust property at public or private sale, for cash or upon credit, together or in parcels; to grant options to purchase trust property, to rescind or vary, on terms or gratuitously, any contract of sale; to exchange trust property for other property, to partition, whether by suit or deed; and to exchange assets for any sum of money or other property, all upon such terms as may be deemed advisable.

7.3. Proxies/Voting Trusts. To appoint general or specific proxies, and to place stock in voting trusts.

7.4. Miscellaneous Transactions. To participate in or disapprove any reorganization, recapitalization, consolidation, merger, winding up, or readjustment of indebtedness of any corporation or association; to give investment representations, warranties, indemnities, and guarantees; to reject any exchange or other offer for property even though substantially above quoted current market values; and to seek appraisal rights or other rights in court or otherwise.

7.5. Compromise/Arbitration. To compromise or submit to arbitration any matters in dispute.

7.6. Securities. To hold securities or property in a form not indicating the trust, whether in bearer, unregistered, or other negotiable form, or in the name of a nominee; and upon receipt of any securities registered in the name, of either of us to execute on our behalf and in our names, any instruments required to transfer such securities into the name of the trust or a nominee or into bearer, unregistered, or other negotiable form.

7.7. Borrowing. To borrow money from any source (including a trustee or affiliate) without individual liability therefor; to mortgage or pledge trust property as security; and to establish margin accounts, provided, that margin accounts shall be used only to facilitate cash management, not for actively trading securities on margin.

7.8. Employing Professionals. To employ and pay the expenses out of income or principal of agents, including, without limitation, accountants, attorneys, brokers, dealers, custodians, investment advisers, realtors, tax specialists, and other assistants and advisors (hereinafter “agents”) as deemed necessary by the trustees for proper administration of any trust hereunder; to delegate to any such agent the trustees fiduciary powers, and to so employ, compensate or delegate without liability for any neglect, omission, misconduct, or default of any such agent, provided, that the trustees have exercised reasonable care, skill and caution in selecting an agent, in establishing the scope and terms of the delegation consistent with the purposes and terms of the trust, and have periodically reviewed the agent's actions to monitor the agent's performance and compliance with the terms of the delegation. Agents may include corporations or other entities affiliated with a corporate trustee. In performing a delegated function, an agent shall owe a duty to the trust to exercise reasonable care to comply with the terms of the delegation.

7.9. Collecting Life Insurance Proceeds. To collect proceeds of life insurance payable to the trust and to exercise settlement options so long as such exercise shall not preclude observance of the provisions hereof. The trustees shall not be required to maintain any litigation in enforcement of any claim unless indemnified to their satisfaction. Payment of such proceeds to the trustees shall fully acquit the insurance company.

7.10. Executing Instruments. To execute all deeds, mortgages, and other documents to carry out any of the foregoing powers.

7.11. Exercising Powers After Termination. To exercise any of the foregoing powers, including powers of sale, after termination of any trust hereunder and prior to distributing trust assets.

Section 8. Distribution to Pooled Trust

The trustees, without necessity of judicial action, may at any time, if the trustees in their sole discretion shall deem it advisable, distribute all of the income and principal of this trust to an account for Jason in a so-called pooled trust maintained by a nonprofit organization for the benefit of individuals with disabilities; such account to be subject to the terms and conditions of the documents creating such pooled trust; and, in connection with creation of such trust account for Jason, the trustees are hereby authorized to execute any and all documents required by such pooled trust to establish an account for Jason. In establishing such trust account for Jason if the terms of such pooled trust allow individual beneficiaries to be designated to receive any assets remaining in the account upon Jason's death after other payments required by the documents governing such pooled trust, such remaining assets shall be distributed pursuant to Section 5 hereof. The trustees decision as to all of the foregoing provisions of this paragraph shall be final and binding upon all persons (whether or not in being or of full age at the time) and organizations having an interest in any trust hereunder. Upon such distribution to a pooled trust account this trust shall terminate.

