

JOINDER AGREEMENT FOR THE Z POOLED TRUST

The undersigned, in consideration of the covenants, promises, and representations contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby enrolls in and adopts the Declaration of Trust (the “Declaration of Trust”), executed by THE Z FOUNDATION (the “Trustee”), and dated July 30, 2007, as amended and restated December 13, 2016, establishing THE Z POOLED TRUST (the “Trust”), which is incorporated herein by reference. The effect of joining the Trust through this Joinder Agreement for THE Z POOLED TRUST (the “Joinder Agreement”) shall be to establish a Trust sub-account for:

BENEFICIARY:	
AMOUNT:	
SSN:	
DOB:	
ADVOCATE/ADVISOR:	
DESIGNATED RESIDUARY BENEFICIARY(IES)	

This Joinder Agreement, and the separate Pooled Trust sub-account created hereunder, shall be irrevocable upon acceptance of the Joinder Agreement by the Trustee and shall be established with resources, including assets and/or income, belonging solely and exclusively to the Beneficiary.

1. Definitions

1.1 The term, “Trustee” means THE Z FOUNDATION, which is a California nonprofit corporation, or its successor or successors, and such term includes any Co-trustee that may be appointed by the Trustee to aid in the administration of the Trust.

1.2 The terms, “supplemental needs”, “supplemental care”, and “government assistance” all have the same meaning that is defined in Article II of the Declaration of Trust.

1.3 The term “Beneficiary” means the above named disabled individual for whose benefit the separate pooled Trust sub-account is being established, maintained, and managed under this Joinder Agreement.

1.4 The term “state” shall include, but not be limited to, the state of California and/or the State Department of Health Services for the State of California, or such other state agency responsible for administering government assistance programs, as the context might require. If the Beneficiary is the resident of a state other than California, the term “state” shall also include such Beneficiary’s state of residence and/or applicable state agency.

2. Distributions From Trust Sub-Account During Life of Beneficiary. Distributions from the Beneficiary's Trust sub-account may be made during the life of the Beneficiary in accordance with the provisions below.

2.1 Individualized Care Plan. At the Trustee's discretion, an individualized care plan shall be prepared for the Beneficiary, which the Trustee may consider, in its sole and absolute discretion, or pursuant to a care plan approved by court when reviewing requests for any distribution from the Beneficiary's Trust sub-account.

2.2 Account Established Solely for the Benefit of the Beneficiary. The Beneficiary's pooled Trust sub-account is established solely for the benefit of the Beneficiary, and the Trustee shall make all distributions for the sole benefit of the Beneficiary, both at the time this Trust sub-account is established and/or anytime in the future. Further, the Trustee shall comply with this sole benefit requirement by ensuring that the sub-account funds shall benefit no one other than the Beneficiary for whose benefit this sub-account is established before the state's interest has been satisfied pursuant to the California Code of Regulations, subsection (a)(4)(E), of Section 50489.9, Trusts Other than Those Described in 50489.1 or 50489.5.

2.3 Transfer Provision. In entering this Joinder Agreement, it is specifically recognized that under Section 3259.7 of the State Medicaid Manual, Exceptions to Treatment of Trusts Under Trust Provisions ("Transmittal 64"), which is promulgated by the Centers for Medicaid & Medicare Services (CMS), subsection B.2. provides in part: "Resources placed in an exempt trust for a disabled individual are subject to imposition of a penalty under the transfer of assets provisions unless the transfer is specifically exempt from penalty as explained in §3258.10 or unless the resources placed in the trust are used to benefit the individual, and the trust purchases items and services for the individual at fair market value." Accordingly, the Trustee shall administer the Beneficiary's pooled Trust sub-account so that all of the resources placed in the sub-account are used to benefit the individual Beneficiary, and the sub-account shall purchase items and services for the individual Beneficiary at fair market value.

2.4 Distributions Pending Preparation of an Individualized Care Plan. Pending the final preparation of an individualized care plan established for the Beneficiary, if applicable and/or required by the Trustee, any nonsupport items that are required for maintaining the Beneficiary's health, safety, and welfare may be provided for the benefit of the Beneficiary when, in the sole and absolute discretion of the Trustee, such needs are not being met by any public agency, or are not otherwise being provided by any other source of income available to the Beneficiary.

2.5 Discretion of Trustee; Use of Assets: Desires for Use of Assets. The Grantor recognizes and acknowledges that all distributions are subject to the Trustee's sole and absolute discretion, that the Trustee shall only make distributions solely for the Beneficiary's supplemental needs and supplemental care, and that the Trustee shall possess and exercise the authority to allocate all distributions between principal and income as it determines in its sole and absolute discretion. With this recognition and acknowledgment in mind, the Grantor has expressed the Grantor's desires as to how assets in the Trust sub-account might be used on behalf of the Beneficiary during the Beneficiary's lifetime.

2.6 Notice of Application; Acceptance, Denial; Termination of Benefits. In order to enjoy the benefits of the Trust to the fullest extent possible, the Beneficiary, or the Beneficiary's legal representative, shall notify the Trustee whenever the Beneficiary: a) applies for government assistance; b) has an application for government assistance approved; c) has an application for government assistance denied; and/or, d) has government assistance terminated. Notice shall be in writing, by certified mail, return receipt requested, in care of the Trustee at the address set forth set forth on the last page of this Joinder Agreement, or at such other address as the Trustee may designate from time to time. Such notice to the Trustee shall be made within 10 (ten) days of the event that triggers the Beneficiary's duty to give notice under this paragraph 2.6. In no event shall the Trustee be liable for making disbursements which result in a reduction of government assistance, a termination of government assistance, or ineligibility for government assistance when the Trustee did not have actual notice of such government assistance, or other circumstances giving rise to such termination, reduction, and/or ineligibility, at the time such disbursements may have been made or requested, or when the Beneficiary or the Beneficiary's representative waives such liability in a signed writing. Consistent with the Beneficiary's affirmative duty to notify any relevant government agencies administering the Beneficiary's government assistance program(s) of any material change in circumstances, all such duties to notify shall continue to be the Beneficiary's in the event that distributions and/or disbursements may have such a material effect, and the Trustee shall have no duty in this regard.

3. Termination of Trust; Distributions Upon the Beneficiary's Death.

3.1 Termination of the Trust. In the event the Trust sub-account should be terminated for any reason whatsoever, then, in accordance with the provisions of the Declaration of Trust, all amounts remaining in the Trust sub-account shall first be paid pursuant to the provisions of Article 6 to any state, county, city where beneficiary resided which distributed Medicaid benefits or other public benefits to deceased beneficiary during his/her lifetime up to an amount equal to the total Medi-Cal assistance paid on behalf of the beneficiary under such state plan.

3.2 Distributions at the Beneficiary's Death. Upon the death of the Beneficiary, in accordance with the provisions of the Declaration of Trust then, all amounts remaining in the Trust sub-account shall first be paid pursuant to the provisions of Article 6 to any state, county, city where beneficiary resided which distributed Medicaid benefits or other public benefits to deceased beneficiary during his/her lifetime up to an amount equal to the total Medi-Cal assistance paid on behalf of the beneficiary under such state plan.

3.3 Prohibited Distributions. The Trustee shall make no distributions for any debts or expenses, including but not limited to expenses for the Beneficiary's last illness and funeral, outstanding debt, or any other types of payments prior to complying with Article 6 of the Declaration of Trust any initial payments solely would first be paid to any state, county, city where beneficiary resided which distributed Medicaid benefits or other public benefits to deceased beneficiary during his/her lifetime up to an amount equal to the total Medi-Cal assistance paid on behalf of the beneficiary under such state plan.

3.4 Intent of This Article 3. In setting forth the terms of the foregoing provisions, it is the mutual intent of Grantor and Trustee that any amounts remaining in the Beneficiary's separate Trust sub-account at the death of the Beneficiary be administered so as to conform with all of the requirements of 42 U.S.C. § 1396p and/or related statutes, including state statutes and regulations that are consistent with the provisions and purposes of the Omnibus Budget Reconciliation Act of 1993, amending 42 U.S.C. § 1396p and specifically pertaining to reimbursement to the states for government assistance provided on behalf of the individual Beneficiary over the Beneficiary's lifetime. If there is an early termination of the Trust the provisions of Section 7 shall apply. Recognizing that the implementation of the foregoing statutes and regulations are frequently subject to differing state-by-state interpretation in their practical application, it is the further mutual intent of the Grantor and Trustee that this Joinder Agreement be broadly construed so as to comply with any interpretation and/or changes in any interpretation within the jurisdiction where the Trust sub-account is administered and/or where the Beneficiary received government assistance.

4. Trustee Fees and Administrative Expenses. The Trustee shall be entitled to a reasonable trustee fee as compensation for its administrative services, provided such fee is compatible with the trustee fees that it normally charges for Trust sub-accounts of a similar size and complexity and is subject to prior court approval, if applicable. Also, the Trustee shall be entitled to reimbursement for any reasonable costs that it might normally occur from time to time in the fulfillment of its administration duties.

5. Miscellaneous Provisions.

5.1 Amendments. The provisions of this Joinder Agreement may be amended as the Grantor and the Trustee may jointly agree, provided any such amendment is consistent with the Declaration of Trust and any then-applicable law. Additionally, the Trustee, without notice to the Beneficiary or the Beneficiary's representative, may make any unilateral amendments as may be necessary to comply with any applicable law now or hereafter in effect or agency policy or for the proper and efficient administration of the Trust as determined in the Trustee's sole discretion, which amendments shall be fully effective ab initio under this Joinder Agreement for all purposes; provided, however, under no circumstance shall any amendment defeat the purpose and intent of this Joinder Agreement and/or the interest of the State Department of Health Services for the State of California, or any of the states, to be reimbursed for any government assistance that such state(s) provided to the Beneficiary over his or her lifetime.

5.2 Taxes. The Grantor acknowledges that: a) the Trustee has made no representations to the Grantor that contributions to the Trust are deductible as charitable gifts, or otherwise; b) Trust sub-account income, whether paid in cash or distributed in other property, may be taxable to the Beneficiary, subject to applicable exemptions and deductions; and, c) Trust sub-account income may be taxable to the Trust, and when this is the case, such taxes shall be payable directly from the Trust sub-account that requires such taxes to be paid. For the sole purpose of determining tax liability and having the Beneficiary's trust sub-account treated as a grantor trust, the Trustee may apply trust income to the payment of premiums on policies of insurance on the life of the Beneficiary without the approval or consent of any adverse party within the meaning of Section 672(a) of the Internal Revenue Code of 1986, as amended. For

purposes of this paragraph 5.02, “trust corpus” shall have the same meaning as “Trust sub-account” used elsewhere throughout this Joinder Agreement and the Declaration of Trust. Further, nothing in this paragraph 5.2 shall in any way affect or modify the intent and/or purpose of the Trust or any of the provisions found in this Joinder Agreement and/or the Declaration of Trust. The Trustee may make distributions directly to the taxing authority of any such amounts of income or principal of the Trust as may become necessary to satisfy the Beneficiary’s tax obligations upon the Beneficiary making such request to the Trustee. The Trustee shall have the sole and independent discretion to claim any tax deductions or elections useful to reduce the tax paid by the Trust, if any.

5.3 Testamentary Power of Appointment Over Residue. Subject to the provisions of Article 3 above, and all other relevant provisions, laws, and/or regulations requiring the Trustee to reimburse each state in which the Beneficiary received government assistance, the Beneficiary shall have the power, through his or her Last Will and Testament or in a separate writing delivered to the Trustee, and by making express reference to this power, to direct that part or all of the property remaining in the Trust may be delivered to such persons or their issue as the Beneficiary so directs; absence exercise of the power of appointment, the Trust shall be the beneficiary of any residue. However, under no circumstances shall the Beneficiary have the power to direct that such property be delivered to: the Beneficiary; the Beneficiary’s estate; the Beneficiary’s creditors; or the creditors of the Beneficiary’s estate. For purposes of this paragraph 5.3, the purpose of which is to prevent any gift tax liability, the term “property” refers to any such residual amounts as may remain after the Trustee follows the provisions set forth in Article 3 above.

5.4 Trustee’s Duty Regarding Government Assistance Programs. In providing for the Beneficiary’s special needs, and/or in making determinations regarding disbursements and/or distributions for the benefit of the Beneficiary’s special needs, the Trustee shall always consider the government assistance for which the Beneficiary is currently eligible, or for which the Beneficiary may be attempting to become currently eligible, and the Trustee shall make no disbursements and/or distributions that would cause the Beneficiary to be or become ineligible for such government assistance. Distributions that the Trustee may or may not have made in the past because of less restrictive government assistance programs, more restrictive government assistance programs, or government assistance programs that the Beneficiary did not apply for, qualify for, and/or receive, shall not serve as a pattern, or be construed to serve as a pattern, of any sort that establishes a duty or discretion in the Trustee to continue making such distributions, to continue refusing such distributions, or to make or to refuse such distributions in the future as the individual case may be. The Trustee shall have no discretion in this regard, and it shall be an absolute duty of the Trustee to follow the directions herein.

5.5 Information Concerning Grantor and Beneficiary. All information concerning the Grantor and the Beneficiary hereunder, as may be required by the Trustee, shall be provided by the Grantor. The Grantor hereby warrants that all information provided to the Trustee, both at the time of establishing the Beneficiary’s sub-account and at all times thereafter, is true and complete to the best of the Grantor’s knowledge as of the time of the Grantor providing such information. The Trustee and its Co-trustees, their employees and/or agents shall be entitled to rely on all such information in performing their duties hereunder toward the Grantor and/or the Beneficiary without being required to make further inquiry as to accuracy or

completeness of such information. The sufficiency of such information shall be determined by the Trustee in its sole and absolute discretion, and the Trustee shall in no event be required to inquire further as to the accuracy, veracity, authenticity, or completeness of any information submitted by the Grantor.

5.6 Appointment of Advocate or Advisor. The Trustee may appoint and retain an advocate and/or advisor for the express purpose of assisting the Trustee in evaluating trust disbursements and evaluating the Beneficiary's special needs. The Trustee shall compensate any such advocate and/or advisor from the Trust estate at a rate equal to the usual and customary fee for such services, provided such fees are reasonable and appropriate in the Trustee's sole discretion. A court appointed Conservator of the Beneficiary shall be deemed the Beneficiary's special advocate entitled to the highest deference in evaluating trust disbursements and evaluating the Beneficiary's special needs.

5.7 Governing Law. This Joinder Agreement is created under, and governed exclusively by, the choice of law set forth in § 10.3 (as may be amended from time to time) of the Declaration of Trust and is explicitly adopted and incorporated herein by reference. Notwithstanding the governing law as set forth herein, this Joinder Agreement shall also be governed by the applicable provisions of §§3600-3605 of the California Probate Code, together with any additional related sections that may specifically apply to special needs trusts from time to time.

5.8 Dispute Resolution. Any dispute which may arise between the parties hereto, including the Beneficiary, concerning any matter related to or arising from this Joinder Agreement and/or the Trust, shall be resolved exclusively by binding arbitration between the parties. Said arbitration shall be conducted pursuant to the then-obtaining arbitration rules of the American Arbitration Association. The arbitration shall be conducted in Los Angeles, California, at a location to be designated by the arbitrator(s).

5.9 Authority of Grantor to Contribute on Behalf of Beneficiary. The Grantor shall furnish to the Trustee such proof as the Trustee, in its sole and absolute discretion, may require in order to satisfy itself that the Grantor has the requisite status under law to contribute to the Trust on behalf of the Beneficiary. The sufficiency of such proof shall be determined by the Trustee in its sole and absolute discretion. Further, such proof shall be deemed to be conclusive evidence that the Grantor enjoys the requisite status to contribute. The Trustee shall in no event be required to inquire further as to the accuracy, veracity, authenticity, or completeness of any proof submitted by the Grantor.

5.9.1 Joinder Agreement Understood by Grantor. The Grantor hereby agrees to and acknowledges that the Grantor:

5.9.2 has reviewed this Joinder Agreement and fully understands its terms;

5.9.3 has had a full, complete, and fair opportunity to seek the advice of legal counsel concerning this Joinder Agreement, whether or not the Grantor has done so;

5.9.4 agrees to be bound by the terms of this Joinder Agreement, and said Joinder Agreement is binding on the Grantor's heirs, successors, and assigns; and,

5.9.5 is not executing this Joinder Agreement because of any promises, covenants or representations other than those contained in this Joinder Agreement and the Declaration of Trust.

5.10 Agreement Constitutes Entire Understanding Between Parties. This Joinder Agreement, together with the Declaration of Trust constitutes the entire understanding between the parties. No promises, agreements or representations, expressed or implied, have been made, except those contained in this writing, and all corrections and additions hereto shall be in writing, specifically designated as an addition or amendment to this Joinder Agreement, and signed by the parties. In the event of a conflict or ambiguity between the provisions of this Joinder Agreement and the Declaration of Trust, the terms of the Declaration of Trust shall supersede and control the interpretation and meaning of this Joinder Agreement.

5.11 Severability. Any provision of this Joinder Agreement that is adjudged invalid or unenforceable under the laws of any place where the terms of the Joinder Agreement are to be performed, or are sought to be enforced, shall be deemed inoperative without invalidating such provision elsewhere or any of the other provisions of this Joinder Agreement.

5.12 Section Headings. Section headings are for purposes of convenience only and shall have no bearing on the interpretation of any provision of this Joinder Agreement or the Declaration of Trust.

5.13 Rules of Construction. In entering this Joinder Agreement, it is the intent of the Grantor and Trustee to comply fully with the California Code of Regulations, Section 50489.9, Trusts Other than Those Described in 50489.1 or 50489.5, which pertains to Special Needs Trusts and Pooled Trusts, and all such enabling legislation such as 42 U.S.C. § 1396p(d)(4)(C), together with all related rules and regulations, both State and Federal. As such, this Joinder Agreement shall be construed as broadly as possible to meet this purpose, and any ambiguities that may be advisable to be clarified during the administration of the Trust sub-account relative to the Trustee and/or any reviewing agency shall be resolved in favor of achieving this broad objective of compliance.

[Signatures follow on next page]

IN WITNESS WHEREOF, the undersigned Grantor has signed this Joinder Agreement on

_____.

GRANTOR:

Address:

SIGNATURE

ACCEPTANCE BY TRUSTEE:

THE Z FOUNDATION, Trustee of
THE Z POOLED TRUST
c/o Alperstein, Simon, Farkas, Gillin
& Scott, LLP
15760 Ventura Blvd., Suite 1520
Encino, CA 91436

Joel M. Simon, President