



## IRREVOCABLE AGREEMENT

Medicaid Payback Trust (*funded with beneficiary's assets*)

# INSTRUCTIONS FOR OPENING ACCOUNT

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Thank you for your interest in opening an account with Alabama Family Trust. Creation of a trust—any trust—is a serious legal transaction, and you may want to consult with a legal advisor before submitting your documents to Alabama Family Trust. This Instruction packet should contain several parts:

- I. Irrevocable Agreement Alabama Family Trust / Medicaid Payback Trust (6 pages);
- II. Investment Options Agreement (2 pages);
- III. Confidential Information Form (5 pages);
- IV. Form W-9 from the IRS (1 page);
- V. List of Items Normally Reimbursed (1 page);
- VI. Request for Disbursement Form (1 page);
- VII. Mileage Form (1 page);
- VIII. Schedule of Trustee Fees and Costs (1 page);
- IX. Checklist (1 page);

You must complete Items I-IV in full. Items V-IX are included for your information and assistance. One reason there are so many different parts is because they relate to different aspects of administering the trust. Some have to do with investments; others have to do with tax questions or privacy issues. For example, the Irrevocable Agreement itself occasionally has to be provided in court or other public settings. To preserve your privacy, we try to keep confidential information away from such documents.

- I. Irrevocable Trust Agreement. This kind of trust is designed to benefit someone whose own money is being used to fund the trust. It usually does not matter whether the funds come from the beneficiary or the beneficiary's spouse. If the funds are the result of a legal settlement, they belong to the person who was awarded them under the settlement, regardless of whether the person actually received them personally.

Anyone completing the Agreement for the Settlor must have legal authority to do so. We need copies of the document that gives you such authority. For example, you are not the Settlor's conservator unless a court has appointed you. If the Settlor is an adult, you are not the Settlor's guardian unless a court has appointed you. The Settlor may have signed a Power of Attorney naming you as his/her agent.

Under Section 11 Additional Trust Provisions, you should initial each paragraph.

Under Section 12, you should initial each of the attachments listed to indicate you have read them. The Settlor and two witnesses must sign on page 5. The date may be completed by Alabama Family Trust.

- II. **Investment Options Agreement.** The Settlor needs to select and initial one of the nine investment options listed on page 1. On page 2, the Settlor must initial A. or B., as well as C. and D. The Settlor and two witnesses must sign on page 2. The date may be completed later by Alabama Family Trust.
- III. **Confidential Information Form.** Please provide all information requested. Remember that you must provide proof of medical impairment for the beneficiary. Each current Co-Trustee must provide a photocopy of a government- issued document such as a driver's license or passport.
- IV. **W-9 Tax Form.** The purpose of this form is to accurately report income from the Alabama Family Trust account. The Life Beneficiary's name, address, and Social Security number are required even if someone has to sign for the Life Beneficiary. This form needs to be completed and returned to Alabama Family Trust.