

THE FIRST MARYLAND DISABILITY TRUST
THIRD PARTY SPECIAL NEEDS TRUST

THIS DECLARATION OF TRUST is made this 20th day of December 2013, by and between the First Maryland Disability Trust, Inc., a charitable, non-profit corporation organized under the laws of the State of Maryland, as Settlor, and the First Maryland Disability Trust, Inc., and/or its successors in interest, as Trustee, which establishes the First Maryland Disability Trust Third Party Trust to be held in trust as hereinafter set forth.

ARTICLE 1
TRUST NAME

1.1 **Name.** The name of the Trust established herein shall be The FMDT Third Party Special Needs Trust (hereinafter referred to as the "Trust").

ARTICLE 2
DEFINITIONS

2.1. **"Trust Agreement"** means this Declaration of Trust, as from time to time amended.

2.2. **Trust or FMDT Third Party Special Needs Trust.** "Trust" or "FMDT Third Party Trust" means the First Maryland Disability Trust Third Party Special Needs Trust established under the Trust Agreement.

2.3. **Trustee.** "Trustee" means the person serving from time to time as Trustee or as a Successor Trustee of the Trust. The term "Trustee" used herein in the singular means all Trustees collectively as well as individually

2.4. **Person with Disabilities.** "Person with Disabilities" means a person who is disabled as defined in §1614(a)(3) of the Social Security Act, 42 U.S.C. §1382c(a)(3), or who is likely, to a reasonable degree of medical certainty, to become disabled within the meaning of the foregoing statute by reason of an existing medical or mental condition, in the foreseeable future.

2.5. **Grantor.** "Grantor" means only the person or persons or entity who establishes the Trust Sub-Account for a specific Person with Disabilities, either through transfer, gift, bequest or devise. The Grantor shall not be the beneficiary of the Trust sub-account. Additional contributions to the Trust Sub-account may be made by another person or persons or entity but they will not be deemed to be the Grantor.

2.6. **Trust sub-account.** “Trust sub-account” means the portion of the Trust estate for which an account has been established under the Trust for the benefit of a Person with Disabilities.

2.7. **Beneficiary.** “Beneficiary” means the Person with Disabilities who is the beneficiary of a respective Trust sub-account.

2.8. **Joinder Agreement.** “Joinder Agreement” means the written agreement between the Grantor and the Trustee by which the Grantor establishes a Trust sub-account for the benefit of the Beneficiary.

2.9. **Government Assistance.** “Government Assistance” means all services, benefits, medical care, financial assistance, and any other assistance that may be provided by any county, state, or federal agency to or on behalf of a Beneficiary. Such assistance includes, but is not limited to, the Supplemental Security Income program (SSI), the Old Age Survivor and Disability Insurance program (OASDI), the Social Security Disability Insurance program (SSDI), and the Medicaid program including the Maryland Medical Assistance Long Term Care Program, Home and Community Based Waiver Services (HCBS), or any other public assistance programs of the State of Maryland or any other state of the United States, together with any additional, similar, or successor public programs.

2.10. **Legal Representative.** “Legal Representative” means a court appointed guardian, natural guardian, conservator, agent acting under a power of attorney, trustee, representative payee, custodian under a transfer to minors account or any other legal representative or fiduciary of the Beneficiary.

2.11. **Supplemental Care/Supplemental Need.** “Supplemental care” or “supplemental need” means care that is not adequately provided, or needs that are not adequately met, by any private assistance or Government Assistance that may be available to a Beneficiary.

2.12. **Remainderman.** “Remainderman” shall mean the person, persons or entities designated by the Grantor to receive assets of the Trust sub-account upon termination of the Trust sub-account in accordance with the provisions of Article 7 “Distribution Upon Beneficiary’s Death” of this Trust Agreement.

ARTICLE 3 ESTABLISHMENT OF TRUST

3.1. **Trust is Established.** The Settlor and Trustee hereby establish the Trust for the benefit of Persons with Disabilities who are the Beneficiaries (as defined in Article 2) of the Trust. The

Trust is established in compliance with 42 U.S.C. §1396p and other applicable Federal statutes and the laws of the State of Maryland.

3.2. ***Initial Funding of Trust.*** Concurrently with the execution of this Trust, the Settlor assigns, conveys, transfers, and delivers a lump sum payment of One Hundred Dollars and No Cents (\$100.00) to the Trust. The Trust estate shall consist of this initial contribution and any additional contributions in cash or other assets made to the Trust estate and accepted by the Trustee as hereinafter provided.

3.3. ***Irrevocability.*** This Trust shall be irrevocable. No Grantor or Beneficiary shall have any right or authority to revoke or amend the Trust Agreement or any part thereof.

3.4. ***Amendments to Trust.*** Notwithstanding the irrevocability of this Trust as set forth in paragraph 3.3 above, this Trust may be amended by the Trustee from time to time to comply with its purposes and intent as set forth in this document. The Trustee may also amend the Trust to conform to any change in any statutes, rules, regulations or policies affecting persons with disabilities, Government Assistance for such persons, or trusts held for their benefit.

ARTICLE 4 CONTRIBUTIONS TO THE TRUST SUB-ACCOUNT

4.1. ***Grantor's Intent to Establish a Supplemental Fund.*** In establishing a Trust sub-account or making a contribution to a Trust sub-account, a Grantor does *not* intend to displace any adequate public and/or private financial assistance that may otherwise be available to any Beneficiary. Grantor intends to establish a supplemental fund and it is Grantors' primary concern that this Trust continue in existence throughout the Beneficiary's lifetime or until the Trust sub-account corpus is exhausted.

4.2. ***Irrevocability of Joinder Agreements or Grantor's Gift, Bequest, or Devise.*** Subject to approval and acceptance by the Trustee, this Trust shall be effective as to a respective Beneficiary upon the Grantor's contribution of assets ("Assets") to the Trust. Upon approval by the Trustee, and delivery of the Assets that are accepted by the Trustee, the following provisions apply:

4.2.1. the Trust shall be irrevocable as to such Grantor and respective Beneficiary;

4.2.2. the designation of the respective Beneficiary may not be revoked or changed by the Grantor or Trustee;

4.2.3. Grantor acknowledges that upon delivery of the Assets to the Trust sub-account, Grantor shall have no further interest in and does relinquish and release all rights in, control over and all incidents of interest of any kind or nature in and to the Assets (including the original contribution to the Trust and any and all subsequent additions to the Trust) and all income thereon;

4.2.4. Grantor shall have no authority to require the Trustee to return Assets.

4.3. ***Future Transfer of Property.*** Subject to the provisions of paragraph 4.4 hereof, at any time and from time to time during the Grantor's lifetime or upon the Grantor's death, a Grantor may transfer any assets to a Trust sub-account and the same shall be subject to the terms of this Trust Agreement and the Joinder Agreement. In addition to the Grantor, any person, persons or entities, other than the Beneficiary of said Trust sub-account, may at any time after the establishment of the Trust sub-account transfer any assets to the Trust sub-account, and the same shall be subject to the terms of this Trust Agreement and the Joinder Agreement.

4.4. The Trustee reserves the right to refuse acceptance of any Asset into a Trust sub-account if the Trustee deems such refusal to be in the best interest of the Trust, the Trust sub-account and/or the Beneficiary.

ARTICLE 5 DISTRIBUTIONS DURING THE BENEFICIARY'S LIFETIME

As to each Trust sub-account, separately:

5.1. ***Distributions within Discretion of Trustee.*** The Trustee may, in its sole and absolute discretion, distribute any part or the whole of the income and principal of the Trust sub-account to or for the benefit of the Beneficiary, as the Trustee, in its sole and absolute discretion, may deem best for the Beneficiary, even if such distribution shall completely exhaust the corpus of the Trust sub-account, without regard to the expectancy of the Remainderman.

5.2. ***Distributions Not Intended to Replace Assistance.*** Distributions from the Trust are not intended to supplant, replace or to disqualify a Beneficiary from receiving Government Assistance. Generally, distributions should not be made by the Trustee to or for the benefit of a Beneficiary in excess of resource and income limitations of any public benefit program to which the Beneficiary is entitled. However, such distributions are not specifically prohibited and may be made with the full understanding of how such distributions may affect current or future benefits. The Trustee may, but is not required to, consider the future needs of a Beneficiary when making distributions or when considering requests for distributions. If the Trustee is

requested to distribute funds to pay for any goods or services which a public assistance program would otherwise provide (were it not for the existence of this Trust), or the Trustee is requested to petition the court or any administrative agency for the distribution of funds, the Trustee may deny such request and may also take whatever administrative or judicial steps may be necessary or appropriate to continue the Beneficiary's eligibility for public assistance, including obtaining instructions from a court of competent jurisdiction that the Trust corpus and Trust sub-account is not available to the Beneficiary for public assistance eligibility purposes. Any expenses of the Trustee in this regard, including reasonable attorney's fees, shall be a proper charge to the Beneficiary's Trust sub-account.

5.3. *Non-exclusive Examples of Appropriate Distribution.* The following examples illustrate the types of distributions that may be appropriate for the Trustee, in its sole and absolute discretion, to or for the benefit of the Beneficiary. Such examples are not exclusive and include:

5.3.1. medical, dental, and diagnostic work and treatment for which there are no adequate private or public funds;

5.3.2. medical procedures that are desirable, in the Trustee's sole and absolute discretion, even though they may not be medically necessary or life-saving;

5.3.3. supplemental nursing care, rehabilitative and/or occupational therapy services;

5.3.4. differentials in cost between housing and shelter for shared and private rooms in institutional settings;

5.3.5. care appropriate for a Beneficiary that assistance programs may not or do not otherwise adequately provide; and

5.3.6. expenditures for travel (including the costs of travel by others to visit the Beneficiary as permitted by law), companionship, recreation, education, hobbies, cultural experiences, and other expenditures that will improve the quality of a Beneficiary's physical, emotional, psychological, and/or spiritual life.

5.4. *Limitation on Distribution.* The Trustee may not distribute to or for the benefit of a Beneficiary an amount greater than the corpus of the Beneficiary's Trust sub-account, plus any undistributed income or growth attributable to said sub-account, less any fees attributable to said subaccount.

ARTICLE 6
TERMINATION OF TRUST SUB-ACCOUNTS OR TRUST

6.1. ***Trust Sub-Account Termination.*** The Trust sub-account shall terminate, upon (a) the death of the Beneficiary (b) the exhaustion of the Trust sub-account or (c) transfer of all the assets to another special needs trust, whichever event occurs first.

6.2. ***Termination of the Trust.*** If the Trustee, in its sole and absolute discretion, determines that the Trust is unable to achieve its purposes with respect to all or substantially all of the beneficiaries, it may terminate the Trust upon thirty (30) days written notice of such proposed termination to the Settlor, the Grantors and each Beneficiary. Upon termination of the Trust, the Trustee shall distribute any remaining principal and income in each Trust sub-account to (a) another third party special needs trust or (b) the effectively designated Remainderman for such Trust sub-account in accordance with the Joinder Agreement.

ARTICLE 7
DISTRIBUTION UPON BENEFICIARY'S DEATH

Upon the death of the Beneficiary, the Trust Sub-Account shall be distributed as follows:

7.1. The Trustee may, in its sole and absolute discretion, distribute funds for reasonable funeral, burial or cremation expenses for the Beneficiary.

7.2. The Trustee may, in its sole and absolute discretion, pay any outstanding expenses or other obligations of the Beneficiary (including but not limited to supplemental health care costs or expenses of last illness).

7.3. The balance distributable from the Trust sub-account shall be distributed to the Remainderman in the proportions or amounts designated by the Grantor in the Joinder Agreement. Designations of Remainderman are made at the time of joining the Trust, are irrevocable and cannot be changed. **If there is no such designation, the balance shall be distributed to the First Maryland Disability Trust, Inc. to be used for its charitable purposes.**

7.4. If, within one (1) calendar year after the Trustee receives actual notice of the death of the Beneficiary, the Trustee cannot, after diligent and reasonable search, ascertain the location of any designated Remainderman (primary or contingent), the balance shall be distributed to the First Maryland Disability Trust, Inc. to be used for its charitable purposes.

ARTICLE 8

SPENDTHRIFT PROVISIONS

8.1. ***Restriction.*** No interest in the principal or income of the Trust or any Trust sub-account shall be anticipated, assigned or encumbered, or subject to any creditor's claim or to legal process, as to any Beneficiary. Furthermore, because each respective Trust sub-account is, in the Trustee's sole and absolute discretion, to be conserved and maintained for the respective Beneficiary throughout the Beneficiary's life, the corpus thereof (neither principal nor undistributed income) shall not be construed as part of such Beneficiary's "estate" and shall not be subject to the claims of voluntary or involuntary creditors for the provision of care and services, including residential care, by any public entity, office, department or agency of the State of Maryland, or any other state, or the United States, or any other governmental agency.

8.2. ***Not a Resource.*** Neither the Trust nor any Trust Sub-account, in whole or in part, is a resource of or available to any Beneficiary. The Settlor, Grantor and Trustee do not owe any obligation of support to any Beneficiary. Under no circumstances can the Beneficiary compel a distribution from the Trust or any Trust sub-account for any purpose. A Beneficiary has no power or authority to transfer any interest he or she may have in this Trust or any Trust sub-account.

8.3. ***Trustee Discretion Final.*** The Trustee's discretion in making disbursements to or for the benefit of any Beneficiary is final and binding as to all interested parties, even if the Trustee elects to make no disbursements at all. The Trustee's sole and absolute discretion, and independent judgment, is intended to be the criterion by which disbursements are made. No court or any other person shall substitute its judgment for the decision or decisions made by the Trustee.

ARTICLE 9

ADMINISTRATIVE PROVISIONS RELATING TO TRUST SUB-ACCOUNTS

9.1. ***Establishment and Maintenance of Trust Sub-Accounts.*** A separate Trust sub-account shall be established and maintained for the benefit of each Beneficiary, but the Trust shall pool these sub-accounts for investment and management purposes. The Trustee, or the Trustee's authorized agents, shall maintain records for each sub-account in the name of, and showing the contributed property for and distributions to or for the benefit of, each Beneficiary.

9.2. ***Allocation of Principal and Income.*** To determine whether items should be charged or credited to income or principal or allocated between income and principal, in such manner as the Trustee deems equitable and fair under all the circumstances, including how such items will be allocated to the sub accounts, without regard to how such items are treated for federal estate or income tax purposes, and to make any tax election permitted by law and to make or not make any adjustment of any interests by reason of any such election, regardless of the effect of such election on any interest in any trust and the Trustee shall not be required to make any charge, reserve, or other deduction from income for depreciation of any asset;

9.3. ***Reports to the Beneficiary.*** The Trustee shall report at least annually to each Beneficiary or to such Beneficiary's legal representative. Such report shall include a complete statement of the Trust sub-account assets and all of the receipts, disbursements and distributions to or from such Trust sub-account occurring during the reporting period.

9.4. ***Inspection of Trust Records by Beneficiary.*** The Trust sub-account records maintained by the Trustee for a respective Beneficiary shall be available and open at all reasonable times for inspection by the Beneficiary, the Legal Representative of the Beneficiary or both. The Trustee shall not be required to furnish Trust records, sub-account records, or documentation to any individual, corporation, or other entity who: (a) is not a Beneficiary; (b) is not the Legal Representative of a Beneficiary; or (c) does not have express written authorization of the Beneficiary to receive such information, unless required by law. The Trustee's decision shall be the sole and final determination as to the sufficiency of any and all written authorizations or requests for records and/or documentation.

9.5. ***Costs of Defending Trust.*** Costs and expenses of defending the Trust, or any Trust sub-account, including attorney's fees incurred prior to, during, or after trial, and on appeal, against any claim, demand, legal action, equitable action, suit, or proceeding may, in the sole and absolute discretion of the Trustee, be (a) apportioned on a pro rata basis to all Trust sub-accounts; or (b) charged only against the Trust sub-account(s) of the affected Beneficiaries.

9.6. ***Settlor's Right to Receive an Accounting.*** Upon request, the Trustee shall render to the Settlor an accounting of all actions taken by the Trustee in exercising the Trustee's powers hereunder during any period of time determined by the Settlor to be appropriate to any inquiry being made by the Settlor.

ARTICLE 10 MANAGEMENT

10.1. **Management.** In its role as Trustee of this Trust, The First Maryland Disability Trust, Inc. shall manage the Trust and shall perform such acts and duties as set forth in the Declarations of Trust and the Joinder Agreement.

10.2. **General Administrative Authority.** The Trustee shall administer the Trust, paying its expenses of administration and retaining employees, consultants, agents, independent contractors in securing goods and services required in the prudent management of the Trust and in the investment of the assets of the Trust. The Trustee shall exercise all powers under any and all Federal and Maryland laws that may exist and be applicable to the Trust, in effect on or after the execution of the Joinder Agreement by the Grantor. In addition to any expressed authority given to the Trustee either by law or under the Trust, the Trustee shall have the following full administrative powers:

10.2.1. **Delegate ministerial and other authority.** To delegate such of its administrative or ministerial duties and powers to such agents, attorneys or employees as may, in the opinion of the Trustee, be advisable. To delegate the signing of checks, endorsement of stock certificates, execution of transfer instruments and any other document. Any third party shall be entitled to rely conclusively on any writing signed by the President or Secretary of the Board of Directors authorizing any one or more agents to endorse any document or instrument on behalf of the Trust.

10.2.2. **Set fees and charges for services.** To establish fees and charges for all services provided by the Trust in management of the Trust and Trust sub-accounts, including (without limitation) application fees, on-going management fees based on the size of sub-accounts, the activity in the Trust sub-account, per capita, or some combination thereof, and fees for other specific services or activities.

10.2.3. **Set standards and initial account minimums.** To establish standards and requirements for participation in the Trust including, without limitation, minimum initial amounts for establishing a Trust sub-account.

10.2.4. **Execute agreements.** To make, execute and deliver any and all instruments, contracts and agreements in writing necessary or proper for the effective exercise of any of the Trust powers as stated herein, or necessary or proper to accomplish the purpose of the Trust, or necessary or proper for the administration of the Trust or in the investment of the Trust.

10.2.5. ***Pay taxes.*** To pay or provide for the payment of all real and personal property taxes, income taxes and other taxes and assessments of any kind levied or assessed under existing or future laws upon or in respect to the Trust, or any money or property forming a part thereof; provided, however, that the Trustee may contest the validity of any tax.

ARTICLE 11 TRUSTEE PROVISIONS

11.1. ***Trustee Powers.*** The Trustee shall have full power and authority in its sole and absolute discretion, without recourse to any Court or any notice whatsoever, to do all acts and things necessary to carry out the purposes of this Trust and to do such other acts or things concerning the Trust as may be advisable. The Trustee's power and authority shall include but not be limited to all those powers conferred upon fiduciaries by the Maryland Code Annotated, Estate & Trusts Article, the Maryland Rules and all Federal laws that may exist and be applicable to Trusts and as all are from time to time amended.

11.2. ***Seek Advice and Resources.*** The Trustee may, in performing its duties under the Trust, seek the advice and assistance of any person or entity it deems to be appropriate, including, but not limited to, any federal, state, and/or local agencies that are established to assist people with disabilities. Associated costs, if any, shall be a proper expense of the Trust and may be apportioned on a pro rata basis to all Trust sub-accounts or charged only against the Trust sub-account for which the Trustee seeks such advice or assistance.

11.3. ***Employment of experts, professionals and others.*** The Trustee may employ at the expense of the Trust or a respective Trust sub-account, such persons or entities as the Trustee may from time to time select to act as agents, accountants, appraisers, attorneys, brokers, custodians, investment counsel, social workers and/or other advisors and the Trustee may delegate discretionary powers to and to rely upon information or advice furnished by any such persons and entities without independent investigation. The Trustee shall not be liable for any act or omission of any such persons or entities, nor for anything done or omitted to be done pursuant to the advice of any such persons or entities.

11.4. ***Trustee Identification of Programs.*** The Trustee shall not be liable to any Beneficiary for the failure to identify any/or all programs or resources that may be available to such Beneficiary or to create programs when such programs do not exist. Furthermore, the Trustee is not responsible for qualifying any Beneficiary for any public assistance programs or for providing legal advice in obtaining such qualification.

11.5. ***Trustee to Receive Full Consideration for Trust Assets.*** No authority described in this Trust or available to Trustees pursuant to applicable law shall be construed to enable the Trustee to purchase, exchange, or otherwise deal with or dispose of the assets of any Trust sub-account for less than adequate or full consideration in money or money's worth, other than discretionary distributions to or for the benefit of the Beneficiary.

11.6. ***Trustee Entitled to Reasonable Compensation.*** The Trustee shall be entitled to reasonable compensation and to reimbursement of costs and expenses properly incurred in the management and/or administration of the Trust. Trustee shall be entitled to compensation to be determined from time to time by application of the schedule of fees as published by Trustee and in effect at the time such fees are charged for Trust sub-accounts of a similar size and character, and in the event that Trustee shall be called upon to render any extraordinary service, it shall be entitled to additional compensation therefor.

11.7. ***Appointment of Successor Trustee.*** The Settlor reserves the right to appoint a successor Trustee.

11.8. ***Resignation of Trustee.*** Any Trustee may resign by executing and acknowledging a written resignation and delivering it, in the order of preference set forth herein, to the Settlor or to the other person then serving as Trustee. Any such resignation shall be effective when it is received by the appropriate person or persons described above, unless otherwise stated in the written resignation.

11.9 ***Indemnification of Trustee.*** The Trustee, its agents and employees, including their respective heirs, successors, assigns and personal representatives, are hereby indemnified by the Trust and the Trust property against all claims, liabilities, fines, or penalties, and against all costs and expenses, including disbursements and the cost of reasonable settlements, imposed upon, asserted against or incurred thereby in connection with or arising out of any claim, demand, action, suit or proceeding in which he, she or it may be involved by reason of being or having been a Trustee or affiliated with a Trustee as set forth above, whether or not he, she, or it shall have continued to serve as such at the time of incurring such claims, liabilities, fines, penalties, costs, or expenses or at the time of being subjected to the same. However, the Trustee and each of its agents and employees, including their respective heirs, successors, assigns and personal representatives, shall not be indemnified with respect to actual fraud, gross negligence or willful misconduct. This right of indemnification shall be exclusive of, and not be prejudicial to, other rights to which the Trustee and each of its, agents and employees, including their respective heirs, successors, assigns, and personal representatives, may be entitled as a matter of law or otherwise.

ARTICLE 12
GENERAL PROVISIONS

12.1. ***Jurisdiction.*** The Trust shall be administered consistently with its terms, free of any judicial intervention and without order, approval or other action by any court, subject only to the jurisdiction of a court which is invoked by the Trustee or other interested party or as otherwise provided by law.


12.2. ***Governing Law.*** The Trust Agreement and the Trust shall be construed, regulated and governed by and in accordance with the laws of the State of Maryland and of the United States.

12.3. ***Severability and Savings.*** The invalidity or unenforceability of any provision of this Agreement, or the application thereof to any person or circumstance, in any jurisdiction shall in no way impair, affect or prejudice the validity or enforceability of this Agreement, including that provision, or the application thereof to other persons and circumstances, in any other jurisdiction. Additionally, if any provision of this Trust disqualifies a Beneficiary for Government Assistance, the offending provision may be voided to avoid such disqualification.

12.4. ***Headings.*** The headings, titles and subtitles herein are inserted solely for convenient reference and shall be ignored in any construction hereof.

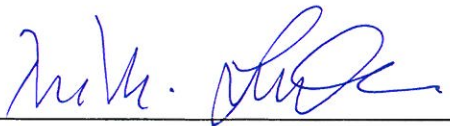
IN WITNESS THEREOF, the undersigned hereby subscribes to the above Declaration of Trust on the date and year first written above as Settlor and Trustee.

FIRST MARYLAND DISABILITY TRUST, INC.

By: 
SETTLOR

AND

FIRST MARYLAND DISABILITY TRUST, INC.

By: 
TRUSTEE

WITNESSES:

Sanja PirsL
SANJA PIRSL

Printed Name

Sanja PirsL
SANJA PIRSL

Printed Name

STATE OF MARYLAND, COUNTY OF MONTGOMERY:

Sworn to and subscribed before me this 20th day of December, 2013, by
RON M. LANDSMAN, PRESIDENT OF THE FIRST
MARYLAND DISABILITY TRUST, INC., SETTLOR, who [☒] is personally known to me,
or who [] produced _____ as identification.

SANJA PIRSL
Notary Public State of Maryland
My Commission Expires 9/8/2017

Sanja PirsL
Notary Public

(Seal)

STATE OF MARYLAND, COUNTY OF MONTGOMERY:

Sworn to and subscribed before me this 20th day of December, 2013, by
RON M. LANDSMAN, PRESIDENT OF THE FIRST
MARYLAND DISABILITY TRUST, INC., as TRUSTEE, who [☒] is personally known to
me, or who [] produced _____ as identification.

SANJA PIRSL
Notary Public State of Maryland
My Commission Expires 9/8/2017

Sanja PirsL
Notary Public

(Seal)