
IRREVOCABLE BURIAL TRUST AGREEMENT

NATIONAL SLOVAK SOCIETY OF THE UNITED STATES OF AMERICA OPTION TO APPLY FOR A “BURIAL TRUST”

Protection of assets at any age is important, but especially so when faced with the need for nursing home services, Medicaid and Supplemental Security Income. One option that may help to preserve eligibility for those services, while at the same time protecting assets from the reach of creditors, is to place your NSS life insurance policy or annuity in an NSS Irrevocable Burial Trust.

Upon naming the Irrevocable Burial Trust as the irrevocable beneficiary, the Trust becomes the Owner of the policy/annuity and as Trustee, is obligated to apply the policy proceeds towards burial, funeral, and end-of-life needs up to the face amount of the policy or value of the annuity. The benefit of naming the Irrevocable Burial Trust as Owner is that it may help the insured qualify for Medicaid and Social Security Income benefits by preventing the value of the policy/annuity from being considered a resource for purposes of Medicaid and Supplemental Security Income eligibility.

A further benefit is that the proceeds, to the extent they are applied to end-of-life needs, would in most cases be protected from claims made by creditors, including the state and federal government. Any proceeds unnecessary for burial or funeral expenses would be paid to the insured's estate and would then be available to creditor's claims or distributed to the heirs of the estate.

Because the proceeds are to be applied to end-of-life needs, the benefits avoid the cost and delay related to probate, and in the case of life insurance proceeds, they are usually tax free upon death.

COMPLETING THE IRREVOCABLE TRUST AGREEMENT

- The Grantor is either the named Insured of a life insurance policy or the named Annuitant of an annuity contract.
- Only NSS life insurance policies and annuities are eligible.
- The total face amount of the policy or policies placed in the Trust are limited in amount in most jurisdictions, which allows them to be excluded as a resource in determining eligibility for certain governmental service programs, such as those mentioned above. These limitations vary depending on the state in which you reside and frequently change from time to time, but a \$10,000 limitation is quite common. It is your responsibility to determine the limitation that would be applicable to you.
- The Contingent Beneficiary of the policy or policies placed in the Trust must be the estate of the insured/annuitant.

The accuracy of the representations stated herein are not guaranteed by NSS and are not meant to constitute either legal or tax advice, nor do they ensure that the NSS products are appropriate for the client's situation. Before purchasing any NSS product or creating an Irrevocable Burial Trust, the client should seek the advice of an attorney or qualified tax advisor. Laws vary from state to state and are subject to change at any time, which may result in the treatment of this product as being negative to the client's particular situation.

IRREVOCABLE BURIAL TRUST AGREEMENT

IRREVOCABLE BURIAL TRUST AGREEMENT

Grantor/Owner: _____ Date of Agreement: _____

Beneficiary: National Slovak Society of the United States of America Irrevocable Burial Trust, as

Trustee of the _____ Trust.
(Name of Grantor/Owner)

Life Insurance Policy/Annuity

Issuing Company: National Slovak Society of the United States of America ("NSS")

Insured/Annuitant: _____

NSS Policy/Annuity Certificate #: _____

Initial Amount of Insurance or Annuity Value: _____

THIS IRREVOCABLE TRUST AGREEMENT is entered upon the following terms and conditions:

- TRUST ESTATE:** The Grantor hereby establishes this Trust and names the National Slovak Society of the United States of America Irrevocable Burial Trust as irrevocable beneficiary and Trustee of the Trust. The Grantor shall concurrently with the execution of this Agreement designate this Trust as beneficiary of those certain NSS life insurance policies and/or annuities specified above ("Contracts"). The proceeds or death benefits payable under these Contracts are hereafter referred to as the "Trust Estate". The Trust Estate shall be held and distributed in accordance with the trust provisions and for the purposes stated herein.
- TRUST AS BENEFICIARY:** The Trust shall be the irrevocable beneficiary of the Trust Estate. Neither the Trust nor the Trustee shall have the responsibility to pay the premiums for any life insurance policy or to make additional contributions to an annuity. The Grantor shall pay all premiums due for any life insurance policy and should any such policy lapse or otherwise terminate, this Trust shall also terminate concurrently.
- DISTRIBUTION UPON DEATH:** Upon the death of the Insured/Annuitant, the surviving spouse, administrator of the estate, or funeral home shall promptly notify NSS and provide the necessary proof of loss to Trustee. The Trustee shall then claim the proceeds or death benefits payable under the Contracts. The Trustee shall only distribute the Trust Estate proceeds to pay for the purchase of rental or personal property or professional services for the final disposition of the Grantor's body ("funeral expenses"). Trustee, in its sole discretion, shall determine the amount of any such payments and the persons or organizations to receive such payments. However, in no event shall Trustee be required to pay any amount in excess of the Trust Estate. Any proceeds in excess of funeral expenses described herein shall be paid by the Trustee to the estate of the Grantor.
- POWERS OF TRUSTEE:** The Trustee is hereby authorized to and shall perform all acts necessary in fulfilling the purpose and intent of this Agreement. The Trustee shall not be liable for any mistake or error of judgment in the administration of the Trust, including but not limited to distributions made pursuant to Paragraph 3. Any Successor Trustee shall have and may exercise all the rights, powers, duties and discretions conferred or imposed on the original Trustee. The Grantor expressly waives any requirement



IRREVOCABLE BURIAL TRUST AGREEMENT

that (1) the Trustee be bonded; (2) the Trust or any separate trust created by this Agreement be submitted to the jurisdiction of any court; (3) the Trustee be appointed or confirmed by any court; (4) the Trustee's accounts be heard and allowed by any court. The Trustee shall not be required to obtain a court order to exercise any power of discretion under this Trust. These provisions, however, shall not prevent any of the beneficiaries or the Trustee from requesting any of the procedures waived in this paragraph.

5. **SPENDTHRIFT PROVISIONS:** No title in the Trust Estate, nor in the income therefrom, shall vest in the heirs of Grantor, and neither the principal nor the income of this Trust shall be liable to be reached in any manner by the creditors of Grantor or by the creditors of the heirs of the Grantor except as stated herein. Further, Grantor and the heirs of Grantor shall not have any power to alienate as stated herein. Further, Grantor and the heirs of Grantor shall not have any power to alienate, encumber, anticipate, or dispose of any interest in the Trust Estate, nor the income therefrom, except for the purpose of arranging for payment of the purchase or rental of personal property or professional services for the final disposition of the Insured's body.
6. **IRREVOCABILITY AND ASSIGNMENT OF RIGHTS UNDER POLICY:** This Agreement and the trust herein created are irrevocable. Grantor shall have no power to alter, amend or modify this Agreement in any way. Grantor further irrevocably assigns to the Trustee all ownership rights under the Contracts, including but not limited to rights of surrender for cash, taking a loan against, electing dividend options, reassigning ownership, or changing the beneficiary of the policy
7. **REPRESENTATIONS OF GRANTOR; INDEMNIFICATION:** Grantor acknowledges and agrees that Trustee, its employees, officers, and agents are not attorneys at law and have not provided Grantor with any legal or tax advice with regard to this Agreement, including but not limited to its legal operation or effect, its coordination with the estate planning, if any, of Grantor, and the availability of the Contracts or their value as an asset for Medical Assistance eligibility. Grantor further acknowledges that this trust does not conflict with or duplicate any other trust or estate instrument or any other agreement relating to the payment of his or her funeral expenses and confirms that they have had the opportunity to have this Agreement reviewed by legal counsel of their choice. Grantor represents to Trustee that they have the legal capacity and authority to enter into this Agreement. Grantor hereby indemnifies and holds harmless Trustee, its employees, officers, directors, and agents from, against and in respect of any and all liabilities resulting from, arising out of or incurred in connection with or arising out of this Agreement.

IN WITNESS WHEREOF, the parties thereto have set their hand and seal the day and year written above.

WITNESS: _____

GRANTOR: _____

TRUSTEE: _____