

# Irrevocable Trust Agreement

for SSI/Medicaid/GA Purposes Only

NEW JERSEY PREPAID  
FUNERAL TRUST FUND™

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## 1. The Funeral Arrangements and Estimated Charges

The Funeral Home and the Purchaser have made Funeral Arrangements for the Intended Funeral Recipient with the estimated charges being provided by the Funeral Home on a Statement of Funeral Goods and Services Selected, a copy of which is provided as part of this Agreement.

## 2. Purpose of this Agreement

The purpose of this Agreement is to establish a place and means for the deposit and administration of any money paid now against the future cost of those Arrangements. The Funeral Home is solely responsible for providing any of the services and merchandise specified in the Arrangements. The responsibility of the Trustees, their officers, employees and agents under this Trust is restricted to the performance of the services specified in this Agreement, and in the Underlying Trust Agreement, between the Funeral Home and the Trustees under which the monies are held.

## 3. Successor Rights

In the event that the Purchaser predeceases the Intended Funeral Recipient where they are different persons, then the Intended Funeral Recipient shall automatically assume all rights with respect to the Account as Purchaser. And, upon the death of the Intended Funeral Recipient, where the Purchaser is no longer living, the right to administer the Account shall pass to the person entitled to control the funeral of the Intended Funeral Recipient, in order of priority provided by N.J.S.A. 45:27-22 or any succeeding statute. For the purposes of this Agreement, where the Purchaser has predeceased the Intended Funeral Recipient, then Purchaser shall mean the Intended Funeral Recipient or his or her successors as specified in this paragraph.

## 4. Amount to be Charged

**This is NOT an Agreement to Guarantee Prices.** At the death of the Intended Funeral Recipient, the estimated charges for the funeral services and goods requested by the Purchaser will be calculated by the Funeral Home to reflect the actual prices being charged by the Funeral Home to the general public at that time. If the funds in the Account are insufficient to pay for the then current prices of those Arrangements then the Purchaser shall have the option of either paying any difference, or otherwise modifying the Arrangements.

## 5. Payments or Refunds to Purchaser

This Irrevocable Agreement may be used only for those Intended Funeral Recipients who are currently receiving, or reasonably expect within six months from the date of this Agreement to be receiving, benefits from either the Supplemental Security Income (SSI) and/or Medicaid programs, or Work First New Jersey General Assistance (GA) or Work First New Jersey, or any successor programs, as provided by the U.S. Department of Health and Human Services, Social Security Administration [(42 USCS s.1382b et seq.) and (20 CFR 416.1231)] and the New Jersey Departments of Human Services, and Health and Senior Services, pursuant to N.J.S.A. 2A:102-16.1 et seq. and other provisions. Under these programs, the deposit may not be returned to the Purchaser on demand and may only be used as payment for the funeral of the Intended Funeral Recipient

except that: the deposit or deposits plus interest accrued will again be subject to withdrawal on demand by the Purchaser if the Intended Funeral Recipient does not become a recipient of SSI/Medicaid/GA benefits in such six month period.

In the event of any lawful and permitted payment or refund prior to the rendering of any services or the providing of any merchandise as intended under this Agreement, any deposit or deposits along with accrued interest are refundable within 10 days to the Purchaser or his/her legal representative upon (1) the presentation of a notarized written demand of the Purchaser to the Trustees, or (2) upon written demand by the Funeral Home to the Trustees on forms provided by the Trust. Any such payments or refunds will be made payable only in the name of the Purchaser or his/her legal representative and not to any other party.

## 6. Surplus to be Paid to State

New Jersey law (N.J.S.A. 2A:102-20) requires this agreement to be irrevocable for applicants or recipients of public assistance programs (such as those cited in paragraph (5)), and for the State of New Jersey to be named as beneficiary of any irrevocable funeral trust or irrevocably assigned newly issued funeral insurance policy purchased or created for the provision and payment of funeral and burial goods and services. **Any moneys remaining after the provision of funeral goods and services shall be paid over to the state as required by law.**

## 7. Meaning of Irrevocability

The Acceptance of this Agreement creates an Irrevocable Trust which means that except as provided in paragraph (5), *any refund, withdrawal or other disposition of the deposits on account plus accrued interest, for any purpose, will be and must legally be refused by the Funeral Director, the Trustees, the Trust Fund and any officer, employee or agent.* Completion of this Irrevocable Trust shall constitute an itemized contract for future delivery of the merchandise specified or its comparable substitute, subject to the other provisions of this Agreement.

## 8. Purchaser and Funeral Home Responsibility Under SSI/Medicaid/GA

All parties to this Agreement acknowledge that they understand a person commits a crime of the fourth degree if he knowingly or purposely solicits or induces any person to execute an Irrevocable Trust with an intent to collect or charge more than the fair market value for funeral goods or services. A person commits a crime of the fourth degree if the proceeds of the Trust are expended on anything other than the fair market value of the funeral goods or services.

### POLICY DIRECTIVE OF THE STATE OF NEW JERSEY SEPTEMBER 17, 2018

**Prepaid funeral arrangements intended to qualify for resource exclusion may not include: flowers and/or car to transport flowers; transportation of living family members; travel expenses (either for individuals to attend the funeral or for an individual to accompany the remains); food, including repasts; gratuities; cost of clothing, jewelry, shoes, etc. for the living; other goods or services for the living.**

### 9. Claim by Funeral Home

Any deposit or deposits along with accrued interest will be payable to the Funeral Home upon presentation of a certified death certificate of the Intended Funeral Recipient, and provided the Funeral Home has furnished the property and services agreed to.

The Funeral Home will provide a final and comprehensive bill to the legal representative of the deceased Funeral Recipient upon completion of performance of this Agreement.

### 10. Irrevocability and Severability

Except as provided in paragraph (5), this Agreement is not revocable during the lifetime of the Intended Funeral Recipient. However, the Funeral Arrangements are fully severable from this Agreement, and can be changed from time to time and at any time, and such changes can include the Purchaser's selection of a different Funeral Home, although this Agreement makes no provision for the payment of the proceeds to a Funeral Home that is not a participant in this program, in which case the proceeds of the Account shall be paid to the Purchaser or legal representative or estate, subject to restrictions pursuant to compliance with the standards established for eligibility and administration under paragraphs (5 through 8).

### 11. Failure to Perform

If the Funeral Home is unable to provide the Funeral Arrangements contemplated in conjunction with this Agreement, then the Purchaser's sole remedy shall be the revocation of this Agreement as specified in paragraph (10) above.

### 12. Portability

Unless provided for in the Funeral Arrangements, nothing under this Agreement provides for the contingencies and costs related to the death of the Intended Funeral Recipient outside of the immediate service area of the Funeral Home. In such an event, the Purchaser shall be required to make and pay for such additional Arrangements as the circumstances may require and that, in any event, the revocability and refund provisions of this Agreement may be invoked as appropriate to accommodate such a contingency.

### 13. Merchandise Substitution

In the event that merchandise specified in the Funeral Arrangements is unavailable at the time of performance, the Funeral Home may substitute merchandise of substantially equal quality, value and workmanship with any changes in the price resulting from such a change being reflected on the Statement of Funeral Goods and Services Selected in a manner complying with disclosures required by state and federal law.

### 14. Depository of Funds

All deposits into the New Jersey Prepaid Funeral Trust Fund™ are deposited in a federally insured state or federally chartered bank, with each Account insured by the Federal Deposit Insurance Corporation (FDIC) up to the maximum coverage available to the Purchaser. In accordance with FDIC insurance rules, other bank Accounts of the Purchaser held at the same bank which serves as depository for the New Jersey Prepaid Funeral Trust Fund™ may be aggregated with the Account of the Purchaser held in the Trust Fund for the purposes of determining the amount of available Federal Deposit Insurance.

### 15. Acknowledgments, Statements and Fees

Deposits will be acknowledged within 10 days of the receipt of the deposit from the Funeral Director by the Trustees, and a statement reflecting the principal and interest of the Account will be mailed in January of each year for the preceding year. The Trustees are entitled by law to expend up to one (1%) percent of the principal sum in the New Jersey Prepaid Funeral Trust Fund™ for management and administrative services. This amount may be paid to the Trustees or such third party administrators as may be engaged by the Trustees for such purposes.

### 16. Location of Fund

The Trustees of the New Jersey Prepaid Funeral Trust Fund™ are members of the New Jersey State Funeral Directors Association, Inc. A related company, New Jersey Funeral Directors Services, Inc. administers and manages the program. Both companies are located in Wall Circle Park, 1977 Highway 34, Building F, Wall Township, NJ 07719. The Underlying Trust Agreement is located at the same address and may be examined by the Purchaser any weekday during normal business hours.

### 17. Release

The Purchaser hereby releases the New Jersey Prepaid Funeral Trust Fund™, the Trustees and the officers, employees and agents of the New Jersey Prepaid Funeral Trust Fund™ from all liability in connection with the release of the Account in accordance with this Agreement, regardless of the authenticity of the signature on any demand purporting to have been made by the Purchaser or the Funeral Director or any dispute as to the quality, nature or cost of funeral goods and services requested.

### 18. Notification of Transactions to Other Parties

The Purchaser hereby authorizes the New Jersey Prepaid Funeral Trust Fund™, the Trustees, its officers, employees, agents, and the Funeral Home to divulge account transactions and information to such government agents and agencies as necessary to comply with the conditions of the programs specified in paragraphs (5 through 8).