

THE PAULINE FERGUSON INCOME TRUST

7/18/05 11:57:46  
BK 109 PG 446  
DESOUD COUNTY, MS  
W.E. DAVIS, CH CLERK

WHEREAS, **Pauline Ferguson**, hereinafter referred to as the Settlor, now has monthly income that exceeds the current Mississippi Medicaid income limits, and;

WHEREAS, the total monthly income received by Settlor is not sufficient to pay for expenses associated with long-term care services and related services, and;

WHEREAS, Settlor's other available assets have been exhausted by Settlor's long-term care expenses, and;

WHEREAS, the principal purpose of this Trust is to receive all income payments due Settlor, including Social Security benefits, retirement benefits, interest, dividends, or other income, and to allow the Trustee to expend for the benefit of the Settlor each month an amount equal to no more than \$1.00 less than the then current Mississippi Medicaid limit, with any excess income to be retained as a part of the Trust, and;

WHEREAS, This trust is intended to be a trust described in 42 U.S.C. §1396p(d)(4)(B);

WITNESSETH:

THIS Pauline Ferguson INCOME TRUST AGREEMENT is entered into between Pauline Ferguson, "**SETTLOR**," and **Michelle Moyers**, "Trustee," who agree as follows:

(A) The Trustee shall place all income due the Settlor into the Trust, and the Trustee shall hold such income under the following terms and conditions:

(1) Trustee shall distribute to the Settlor, or for Settlor's benefit, any amounts allowed by the Division of Medicaid, but the total amount distributed each month shall not exceed an amount equal to \$1.00 less than the then current Medicaid income limit.

(2) At the time of each review of the Settlor's Medicaid eligibility (at

Michelle Moyers  
4515 Sunset Rd.  
Nesbit, MS 38651

least annually) while this trust is in existence, the Division of Medicaid will notify the Trustee of the amount that should be accumulated in the trust. The Trustee will then be requested to make payment of this amount to the Division of Medicaid up to the total amount expended by the Division of Medicaid on behalf of the Settlor that has not previously been repaid to Medicaid. Failure to make the requested payments may result in the loss of Medicaid eligibility for the Settlor.

(3) Upon the death of the Settlor, when the Settlor's Medicaid eligibility is terminated, when the Settlor's income no longer exceeds the current Medicaid income limits, or when the trust is otherwise terminated, any income amounts accumulated but undistributed shall be paid over to the Division of Medicaid, State of Mississippi, up to the total amount expended by the Division of Medicaid on behalf of the Settlor that has not previously been repaid to Medicaid. Any amounts remaining in the trust after such payments to the Division of Medicaid shall be paid to Settlor's estate.

(B) When requested, the Trustee shall furnish to the Division of Medicaid, State of Mississippi, an annual accounting to show all receipts and disbursements of the trust during the prior calendar year.

(C) The Trustee shall maintain the trust funds on deposit in a federally insured banking institution,

(D) No Trustee shall receive a Trustee's fee for services rendered to the trust, however, reasonable bank charges will be allowed.

(E) The Trustee shall give written notice to the Division of Medicaid, State of Mississippi when the Settlor dies or when the trust is otherwise terminated.

(F) The provisions of this Trust shall be interpreted under the laws of the State of Mississippi.

(G) Trust Administration Provisions

(1) Intended to be a Spendthrift Trust. No beneficiary hereunder shall have any power to sell, assign, transfer, encumber or in any other manner anticipate or dispose of his or her interest in the Trust Estate or the income produced thereby. Neither the principal nor the income of the Trust Estate shall be liable for the debts of any beneficiary hereunder. No part of the Trust Estate shall be construed as part of the Settlor's estate or be subject to the claims of voluntary or involuntary creditors of Settlor, nor shall the same be subject to seizure by any creditor of any beneficiary hereunder, nor any writ or proceedings at law or in equity. This provision shall not bar any remedy sought by the Division of Medicaid, or any other state or

county for the purpose of obtaining amounts payable thereto in accordance with this Trust Agreement.

(2) Modification or Termination. During Settlor's lifetime, Trustee may modify or terminate this Trust only with the approval of the Division of Medicaid.

The effective date of this trust shall be April 1, 2005.

IN WITNESS WHEREOF, this Pauline Ferguson Income Trust Agreement has been executed on this the 18<sup>th</sup> day of July, 2005.

Michelle Moyers  
Michelle Moyers, Trustee

Pauline Ferguson by Michelle Moyers  
Pauline Ferguson, Settlor, by Michelle Moyers, her Attorney-in-Fact ATF

STATE OF MISSISSIPPI  
COUNTY OF DESOTO

Personally appeared before me, a Notary Public in and for said State and County, on this 18<sup>th</sup> day of July, 2005, within my jurisdiction, the above named Michelle Moyers, Trustee, who acknowledged that she executed the foregoing instrument as her free act and deed.

W.E. Davis Chancery Clerk  
NOTARY PUBLIC

My Commission Expires:

My Commission Expires Jan. 7, 2008



STATE OF MISSISSIPPI  
COUNTY OF DESOTO

Before me, the undersigned Notary Public in the State and County aforesaid, personally appeared Michelle Moyers, known or proved to me on the basis of satisfactory evidence, and who, upon oath acknowledged that she executed the foregoing instrument for the purposes therein contained therein, and who further acknowledged that she is the attorney-in-fact of Pauline Ferguson Settlor, and she as such attorney-in-fact is authorized to by the Principal to execute this instrument on behalf of the Settlor, by signing the name of the Settlor by herself as attorney-in-fact.

WITNESS my hand and Notarial Seal at office this 18<sup>th</sup> day of July, 2005.

W.E. Davis Chancery Clerk  
NOTARY PUBLIC

My Commission Expires:

My Commission Expires Jan. 7, 2008

