

MASTER TRUST AGREEMENT I

THIS MASTER TRUST AGREEMENT made this 2nd day of November, 1998, by The Family Trust, a Pennsylvania nonprofit corporation (the "Trustee").

WITNESSETH

WHEREAS, it is widely acknowledged that persons with disabilities lead healthier, safer and more meaningful and productive lives when they have the support of their families and communities; and

WHEREAS, planning for the continuation of those supports after the incapacity or death of parents, guardians and caretakers is stressful for families of persons with disabilities; and

WHEREAS, amendments to the Medicaid program allow persons with disabilities, certain members of their families, and Courts to place assets in trust under certain circumstances without subjecting those assets to spend-down or recapture rules.

NOW THEREFORE, the Trustee establishes this Master Trust Agreement (hereafter Agreement) intending to conform to the requirements of 42 U.S.C. §1396p(d)(4)(c) as the same may be amended from time to time, and applicable state rules or statutes which create an exception to the treatment of trust assets of disabled individuals. The Agreement will serve as a convenience for persons wishing to fund a trust for a disabled individual by permitting them the choice of adopting this Agreement by reference, subject to the acceptance by the Trustee, and the Trustee agrees to hold, administer and distribute income and principal of the resulting trust in accordance with the terms of this Agreement and individual Joinder Agreement.

ARTICLE I

DEFINITIONS

Account. The term "account" or "trust account" shall refer to an account established to hold the trust assets contributed by a Settlor to the Trust for the benefit of a named Beneficiary.

Beneficiary. Shall mean those disabled persons as defined in 42 U.S.C. §1382c(a)(3), as amended from time to time for whose benefit an account has been established by a qualified Settlor in accordance with a Joinder Agreement. Beneficiary does not include any persons or organizations which may have remainder interests in any Trust or Account.

Board. Shall mean the Board of Directors of The Family Trust.

Distribute. Shall mean to pay over, convey, deliver, transfer, and assign absolutely in fee simple forever, free of Trust.

Government Assistance. Shall mean those services, medical care, benefits and financial assistance that may be provided by any local, state, or federal government or agency or department thereof, to, for or on behalf of a Beneficiary. Such benefits include but are not limited to the Supplemental Security Income (SSI) program, the Old Age Survivor and Disability Insurance (OASDI) program, the Supplemental Security Disability Income (SSDI) program, and the Medicaid program, together with any additional, similar or successor public programs.

Guardian. Includes a curator, guardian, conservator, or other similar court-appointed legal representative of the estate or person, including the legal guardian of a minor Beneficiary.

Joinder Agreement. Shall refer to an instrument approved and amended from time to time by the Board.

Qualified Medicaid Trust shall mean a trust qualifying under 42 U.S.C. §1396p(d)(4)(c) or any successor statute or regulation.

Trustee. Refers to the original Trustee of the Trust, and any successor trustee of the Trust, unless otherwise stated.

ARTICLE II

INTENT AND PURPOSE OF THE TRUST

Trustee Intent. Trustee, by the creation of this Agreement, and each Settlor by the joinder in this Agreement, intend to conform to the requirements of 42 U.S.C. §1396p(d)(4)(C), as amended from time to time, and applicable state rules which create an exception to the normal spend-down and recapture rules otherwise applicable to trust assets held for the benefit of disabled individuals. The Master Trust is created solely for the supplemental care of disabled individuals as defined in 42 U.S.C. §1382c(a)(3), for whom an account is established by a parent, grandparent, legal guardian, court or the disabled individual. The Master Trust may contain the assets of such disabled Beneficiaries. Upon the death of a beneficiary, all assets remaining in such Beneficiary's account shall be transferred to The Family Trust to be used for the charitable purposes of providing support for individuals with disabilities to live healthy, safe, meaningful and productive lives.

Supplemental Fund. It is the Trustee's intent that assets held pursuant to this Agreement are not for the Beneficiaries' primary support. They are to supplement the Beneficiaries' care only.

Purpose of Trust. The purpose of the Agreement is to promote the comfort and happiness of the Beneficiaries by using the trust assets to provide for and serve the interests the Beneficiaries over and above their basic maintenance, support, medical, dental and therapeutic care, or any other appropriate care or service which may be paid for or provided by other sources. It is not the Trust's purpose to provide any such basic services to any Beneficiary. The Trustee shall use the trust assets for the supplemental care of the Beneficiaries without in any way reducing the actual or potential services or financial assistance for basic maintenance, support, medical, dental and therapeutic care, or any other appropriate care or service the Beneficiaries receive, or may receive, from any local, state or federal government or agency or department thereof, and without using any portion of the Trust or its income or principal, to reimburse any local, state, or federal government or agency or department thereof for such maintenance.

ARTICLE III

BENEFICIARIES

Individual with a Disability. A Beneficiary shall be an individual who is disabled as defined by 42 U.S.C. §1381c(a)(3) or any successor statute and for whom an account has been established by a qualified Settlor. If the Social Security Administration or any authorized governmental entity has not made a determination that an individual is a disabled person, the Trustee is authorized to accept such individual as a Beneficiary within its discretion if it has made a determination that the Beneficiary is a disabled person, as defined in 42 U.S.C. §1382c(a)(3).

ARTICLE IV

TRUSTEE

Trustee. The Trustee of the Master Trust shall be The Family Trust. The name, The Family Trust, when used in this Declaration of Trust, shall include its successors and any corporations into which it may be merged, or with which it may be consolidated, and the successor of any such merged or consolidated corporation, and any corporation to which its fiduciary activities may have been transferred.

ARTICLE V

TRUSTEE DISCRETION

Trustee Discretion. Within the expressed intent and purpose of this Agreement, the Trustee shall have sole and absolute discretion in making disbursements to or for the benefit of the Beneficiaries or in declining to make such disbursements. The Beneficiaries have no entitlement to the income or corpus of the Trust, except as the Trustee, in its complete and unfettered discretion, elects to disburse.

ARTICLE VI

DONOR AND TRUST PROPERTY

Settlor. A Settlor shall be a parent, a grandparent, or a legal guardian of a Beneficiary, or a Beneficiary, himself or herself, or any court, in accordance with 42 U.S.C. §1396p(d)(4)(C)(iii), or any other person permitted by any successor statute who establishes an account for a disabled individual.

Creation of Trust. A Settlor may create a Trust under this Agreement by transferring assets, subject to the Trustee's acceptance, to the Trustee for the benefit of a Beneficiary. If a Settlor shall fail to execute a Joinder Agreement, a Trust will still be created under this Agreement.

Assets of Beneficiary. Assets belonging to the Beneficiary may be accepted by the Trustee as trust assets, pursuant to 42 U.S.C. §1396p(d)(4)(C).

Funding. Trust assets shall consist of the initial contribution and any additional contributions in cash or property made to the Trust or to a Beneficiary's account plus any income earned thereon at any time, or from time to time, by a Settlor, or any other person, in accordance with this agreement.

Contributions Irrevocable. All assets accepted by the Trustee shall become irrevocable and non-refundable.

Additions to Trust. Subject to the Trustee's approval, the original Settlor, or any other Settlor may, at any time, or from time to time, transfer, bequeath, or devise to the Trustee, additional cash or other property acceptable to the Trustee for the benefit of a Beneficiary for whom an account has been established and provided such account is in good standing. Any such assets shall be irrevocable and shall become part of the Trust and shall be held, managed, and distributed by the Trustee in accordance with the provisions of this agreement and the Joinder Agreement as executed by the Settlor.

ARTICLE VII

IRREVOCABILITY

Trust Irrevocable. The Master Trust Agreement I shall be irrevocable subject to:

- (a) The Trustee's power to amend this Master Trust Agreement pursuant to Article XIII, and
- (b) The Trustee's power to terminate an account pursuant to Article XIII, and
- (c) The Trustee's power to terminate the Trust pursuant to Article XIII if the Trust's purpose becomes impracticable of fulfillment.

ARTICLE VIII

TRUST ASSETS DURING LIFETIME OF BENEFICIARY

Administration. During such time that a Beneficiary is living, the Trustee shall hold and administer the trust assets held for the benefit of such Beneficiary in accordance with this Agreement and to the extent possible, as the Trustee shall determine in its sole and absolute discretion, with the Joinder Agreement executed by the Settlor.

Distributions During Lifetime of Beneficiary. During such time that a Beneficiary is living, the Trustee shall pay so much or all of the net income or principal or both from a Beneficiary's account, as the Trustee, in its sole and absolute discretion, may from time to time deem advisable for such Beneficiary's extra and supplemental care, if any. In exercising its discretion the Trustee may consider all other sources of income and resources actually known to it to be available to such Beneficiary and all circumstances and factors deemed pertinent by the Trustee. Any income not distributed shall be added to the principal in the account maintained for each Beneficiary.

Priority of Beneficiaries. In making discretionary distributions to or for the benefit of a Beneficiary from such Beneficiary's account, the Trustee shall not consider the effect such distributions may have upon the interest of any remainder Beneficiary.

Availability of Trust Assets. No portion of the principal or undistributed income of any Beneficiary's account shall be considered available to the Beneficiary for determining eligibility for assistance from any local, state or federal government agency, department or program. If a Beneficiary receives assistance for basic maintenance, support, care or services, the Trustee is prohibited from using or applying the trust assets in any way which would jeopardize such assistance.

Trustee Discretion Conclusive. Nothing in this Agreement nor in the Joinder Agreement shall be deemed to require the Trustee to make or refrain from making a distribution to or for the benefit of a Beneficiary. The Trustee shall make or refrain from making distributions in its sole and absolute discretion. The discretion of the Trustee shall be conclusive as to the advisability of any distribution. Under no circumstances may any Beneficiary, or any other person, compel a distribution from a Beneficiary's account.

ARTICLE IX

TRUST ASSETS AT DEATH OF BENEFICIARY

Upon the death of the Beneficiary, all assets remaining in such Beneficiary's account shall be transferred to The Family Trust to be used for the charitable purposes of providing support for individuals with disabilities to live healthy, safe, meaningful and productive lives.

ARTICLE X

FEES

Fees. The amount of fees shall be determined and published by the Board annually for the following calendar year.

Other Costs. Costs related to administration of a specific account may be charged against such account at the discretion of the Trustee. Such costs may include, but are not limited to, appraisals, broker fees, legal fees, property taxes, management costs, and accountant fees. Such costs related to the administration of one or more accounts shall be allocated to those accounts in a manner determined by the Board.

Taxes. Any federal or state income taxes, inheritance or death taxes, or other taxes, if any, owed by a Beneficiary or such Beneficiary's account and the cost of preparation of income tax returns for a Beneficiary, shall be paid by the Beneficiary or charged to such Beneficiary's account.

Special Fee Arrangements. Upon approval by the Board, a fee or fees may be modified for special circumstances. Modifications will be approved only if, in the option of the Board:

- (a) It is in the best interest of The Family Trust to do so, and
- (b) Such action does not adversely affect any other account.

ARTICLE XI

ADMINISTRATIVE PROVISIONS

Effective Date. The Trust shall be effective as to any Settlor or Beneficiary upon completion of the following:

- (a) Execution of an approved Joinder Agreement which incorporates this Agreement by reference; and**
- (b) Payment of any Applicable Fees and**
- (c) Acceptance of the executed Joinder Agreement by the Board and**
- (d) Delivery to and acceptance by the Trustee of property designated as trust assets.**

Separate Trusts. Whenever a Settlor adopts the terms of this Master Trust Agreement, a separate trust will be created for the benefit of the named beneficiary. The Trustee will obtain a taxpayer identification number for each trust and account for each trust separately.

Investment. The Trustee will place all trust assets for investment purposes, under revocable agreements, with financial institutions approved, under applicable law, as corporate fiduciaries. The Trustee shall regularly review the performance of each corporate fiduciary in producing a reasonable return on a total return basis over a reasonable period of time on the trust assets under its control, giving due consideration to accepted standards of fiduciary conduct and due regard to the safety of principal.

Commingled Investments. All assets held by the Trustee under this Agreement shall be commingled for investment purposes, as required for Medicaid Qualified Trusts. Each separate trust shall have an undivided interest in the whole, but the Trustee shall keep (or cause each corporate fiduciary to keep) separate account of each trust's interest.

Investment Authority. The Trustee shall have the following powers, in addition to and not in limitation of those granted by law: to retain assets in kind or to sell the same and to invest and reinvest the proceeds and any other cash in any kind of property, real or personal, or part interest therein, located in the United States or abroad, all statutory and other limitations as to the investment of funds, now or hereafter enacted or in force, being waived; to hold income cash uninvested until the next payment date, without liability for interest thereon; to pledge, exchange or mortgage real or personal property and to lease the same for terms exceeding five (5) years; to give options for sales, leases and exchanges; to borrow money; to compromise claims; to vote shares of corporate stock, in person or by proxy, in favor of or against management proposals; to carry securities in the name of a

nominee, including that of a clearing corporation or depository, or in book entry form or unregistered or in such other form as will pass by delivery. In addition to, and not in limitation of the foregoing, with respect to selection of investments, the Trustee shall have the discretion and authority attributed to trustees under the prudent investor rule, liberally construed and as most recently articulate by the American Law Institute, and the Trustee is specifically authorized to engage accountants, counsel and investment advisors to assist it.

Use of Principal. The Trustee may use all income and all or a portion of the principal of any account for the purposes established by any Settlor and this Agreement.

Resignation of Trustee. The Trustee may resign at any time provided that the Trustee has arranged, or has petitioned a court of competent jurisdiction to appoint a successor Trustee that meets the requirements of applicable law for a manager of Medicaid Qualifying Trusts. Any successor trustee shall succeed to all the rights, titles, interests, powers, discretions and duties vested in the predecessor trustee. No successor trustee shall be liable for anything done or omitted in the administration of the trusts prior to the date of becoming a successor trustee.

Surety. No surety will be required of the Trustee.

Books and Records. The Trustee shall keep, and shall cause each corporate fiduciary holding trust assets to keep, detailed books and records of all receipts, deposits, withdrawals, investments, expenses and liabilities of each trust resulting from the adoption of this Agreement.

Spendthrift Provision. No money or property of the Trust shall be pledged, assigned, transferred, sold in any manner anticipated, charged or encumbered by any Beneficiary, remainderman or other Beneficiary hereunder, except by operation of law, or be in any manner liable while in the possession of the Trustee for his or her or their debts, contracts, obligations, or engagements, voluntary or involuntary, or for any claims, legal or equitable, against such remainderman, Beneficiary, or Beneficiaries. No trust property shall be available to any Beneficiary, remainderman, or any other Beneficiary until actually delivered to or for the benefit of him or her.

ARTICLE XII

INDEMNIFICATION

Indemnification. The Trustee, their agents and employees, and the heirs and legal representatives of their agents and employees are hereby indemnified by the Trust and the trust property against all claims, liabilities, fines, or penalties and against all costs and expenses (including attorneys fees and disbursements and the costs of reasonable settlements) imposed upon, asserted against or reasonably incurred thereby in connection with or arising out of any claim, action, suit, or proceeding in which he, she or it may be involved by reason of being or having been a Trustee or advisor, whether or not such person or entity 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. Provided however, such persons or entities (or their heirs or legal representatives) shall not be so indemnified with respect to matters as to which he, she, or it shall be finally determined to have been guilty of wilful misconduct in the performance of any duty as such, by a court of competent jurisdiction. This right of indemnification shall not be exclusive of, or prejudicial to, other rights to which any such person or entity may be entitled as a matter of law or otherwise.

ARTICLE XIII

AMENDMENT AND TERMINATION OF TRUST

Conform Trust. The Board shall have the right and power to conform this Agreement to the requirements of 42 U.S.C. §1396p(d)(4)(C), as amended from time to time, and to the rules and to the regulations approved by any governing body or agency relating to such acts and to state statutes and regulations that are consistent with the provisions and purposes of such acts.

Amendment. Every Settlor, and all persons claiming by, through or under him or her, by the adoption hereof shall be conclusively deemed to have agreed that the Board, by the affirmative vote of two-thirds (2/3) of its members may (1) modify or supplement the administrative provisions hereof; (2) construe any provision hereof in good faith; and (3) supply any defect or omission herein deemed advisable to carry out the purposes hereof properly and effectively.

Termination. If a court or agency of competent jurisdiction makes a final, nonappealable decision that a trust resulting from the adoption of this Agreement does not qualify as a Medicaid Qualifying Trust, that trust shall thereupon terminate and the Trustee, if permitted by applicable law, shall distribute the then remaining assets to the Settlor who created the trust.

If Trust Purpose Impracticable. Every reasonable attempt shall be made to continue this Agreement for the purposes for which it is established, provided however, it is recognized that the Trustee does not and cannot know how future developments in the law, including administrative agency and judicial decisions, may affect this Agreement. If it becomes impossible or impracticable to carry out the purpose of this Agreement, the Trustee may terminate the Trust and, in its sole and absolute discretion, distribute trust assets held for the benefit of the affected Beneficiaries, as provided in the Joinder Agreement.

Distribution of Remaining Assets. In the event of termination pursuant to Article XIII, trust assets, including principal and undistributed net income, shall be distributed in accordance with the Joinder Agreement. If, in the sole and absolute discretion of the Trustee, distribution in accordance with this paragraph shall not be practicable, trust assets shall be held by the Trustee until disposition is directed by a court of competent jurisdiction.

ARTICLE XIV

TAXES

Taxes.

a. The Settlor acknowledges that contributions to the Trust are not deductible as charitable gifts, or otherwise.

b. The Settlor remains responsible for filing gift tax returns and paying gift taxes which may be required as a consequence of transferring assets to the Trust. Professional tax advice is recommended.

c. Trust account income, whether paid in cash or distributed in other property, may be taxable to the Beneficiary subject to applicable exemptions and deductions. Professional tax advice is recommended.

d. Trust account income may be taxable to the Trust, and when this is the case, such taxes shall be allocated to the Beneficiaries' accounts in a manner determined by the Board and charged against such account.

ARTICLE XV

POTENTIAL CONFLICTS OF INTERESTS

Disclosure of Potential Conflicts of Interest.

The Trustee has a potential conflict of interest in its administration of this Trust because it will contract with its affiliates and appoint persons to assist in the carrying out of its Trustee duties who may be employees or members of the Board of Directors of ARC Allegheny or one or more of its corporate affiliates. Therefore, in making distributions from the Trust accounts in accordance with the provisions of this Trust Agreement, it is contemplated that the Trustee may make disbursements directly to ARC Allegheny or related corporations on behalf of one or more Beneficiaries to cover the costs of services and benefits provided by such corporations. The Trustee is expressly authorized to make such disbursements, subject to the limitations on authority as set forth in this Agreement. The Settlers executing the Joinder Agreements are aware of the potential conflicts of interest that exist in the Trustee's administration of the Trust. Each Settlor waives any and all claims against the Trustee on account of self-dealing, conflicts of interest or any other act as long as the fees charged their Trust are consistent with charges for comparable services. The Trustee shall not be liable to the Settlor or to any party for any act of self-dealing or conflict of interest resulting from its affiliations with ARC Allegheny or with any beneficiary or constituent corporations as long as the fees charged their Trust are consistent with charges for comparable services.

A potential conflict of interest also exists in the administration of this Agreement for Beneficiaries. The Family Trust will have a remainder interest in the trust accounts. Any amounts remaining in a trust account at the death of the Beneficiary named by that trust account will remain with The Family Trust for the benefit of other persons with disabilities. Settlers are made aware of the existence of this potential conflict of interest and expressly waive any and all claims against the Trustees on account of such self-dealing, conflict of interest or any other similar act.