



## FIDUCIARY AGREEMENT

**Privacy Act Notice :** VA will not disclose information collected on the form to any source other than what has been authorized under the Privacy Act of 1974 or Title 5, Code of Federal Regulations 1.576 for routine uses (i.e. request from a Congressman on behalf of a beneficiary) as identified in the VA system of records, 37VA27, VA Supervised Fiduciary/Beneficiary and General Investigative Records-VA, and published in the Federal Register. Your obligation to respond is mandatory. Giving your SSN account information is voluntary. Refusal to provide your SSN by itself will not result in the denial of benefits. The VA will not deny an individual benefits for refusing to provide his or her SSN unless the disclosure of the SSN is required by a Federal Statute of law in effect prior to January 1, 1975 and still in effect.

**Respondent Burden:** We need this information to appoint a fiduciary for the beneficiary's VA benefits. Title 38, United States Code, allows us to ask for this information. We estimate that you will need an average of 5 minutes to review the instructions, find the information, and complete this form. VA cannot conduct or sponsor a collection of information unless a valid OMB control number is displayed. You are not required to respond to a collection of information if this number is not displayed. Valid OMB control numbers can be located on the OMB Internet Page at [www.reginfo.gov/public/do/PRAMain](http://www.reginfo.gov/public/do/PRAMain). If desired, you can call 1-800-827-1000 to get information on where to send comments or suggestions about this form.

1. ADDRESS OF VA OFFICE <i>(Complete mailing address)</i>		2. VA CONTACT/PHONE NUMBER
3. NAME OF VETERAN <i>(First - middle - last)</i>	4. VA FILE NUMBER	5. SOCIAL SECURITY NUMBER

<b>6. NAME(S) OF BENEFICIARY(IES)</b>	
A.	D.
B.	E.
C.	F.

7. I, THE UNDERSIGNED FIDUCIARY, HEREBY AGREE TO SERVE AS:

- LEGAL CUSTODIAN     
  CUSTODIAN-IN-FACT     
  SPOUSE PAYEE *(For veterans only)*     
  INSTITUTIONAL PAYEES *(For veterans only)*

and agree to use all beneficiary funds paid by the Department of Veterans Affairs (VA) for the benefit of the beneficiary(ies) listed above. I agree to invest any surplus funds as shown below in Item 8, or as may later be required by VA.

<b>I AGREE TO SAVE THE FOLLOWING AMOUNTS:</b>	8A. LUMP SUM AMOUNT \$	8B. MONTHLY AMOUNT \$	8C. EFFECTIVE DATE
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I agree to release all beneficiary funds, U.S. savings bonds, and other securities under my control as a VA fiduciary upon the termination of my trust as directed by VA. If a beneficiary is a minor, I will turn over to the beneficiary all of his or her remaining VA-derived funds, U.S. savings bonds, or other securities at the time the beneficiary reaches the age of majority.

I understand that I  am  am not required to submit periodic accountings to VA of all the beneficiary's funds I receive and use. If I am required to account, a VA representative has explained to me the frequency, scope and format of the accounting.

I am aware of the information on page 4 of this agreement and will comply with the requirements stated.

I understand that this agreement may be altered only with VA approval.

I CERTIFY THAT if and while I am authorized to take a commission, I am not receiving and will not receive any other form of remuneration or payment in connection with rendering fiduciary services on behalf of the above named beneficiary(ies).

9A. SIGNATURE OF FIDUCIARY	9B. SOCIAL SECURITY NUMBER OR TAX ID NUMBER OF FIDUCIARY	9C. DATE SIGNED
9D. NAME OF FIDUCIARY <i>(Type or print)</i>	9E. TITLE OF FIDUCIARY	
10A. SIGNATURE OF FIELD EXAMINER	10B. DATE SIGNED	

NOTE: This agreement supersedes any existing fiduciary agreement involving the beneficiary(ies).

BENEFICIARY'S NAME	BENEFICIARY'S FILE NUMBER
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**FEDERAL FIDUCIARY AGREEMENT**

You are being appointed as a Federal Fiduciary for the VA beneficiary listed above. As a Federal Fiduciary, you are responsible for receiving the beneficiary's VA income and ensuring the beneficiary's just debts are paid. Please initial in the "Initial" column next to each statement of understanding you agree to.

<b>STATEMENT OF UNDERSTANDING</b>		<b>INITIAL</b>
1	I UNDERSTAND THE "INFORMATION FOR FIDUCIARY" ON PAGE 4 OF THIS FORM.	
2	I UNDERSTAND THAT FUNDS ARE TO BE USED FOR THE BENEFICIARY AND HIS/HER RECOGNIZED DEPENDENT, IF APPLICABLE. I UNDERSTAND THAT I CANNOT BORROW, LOAN, OR GIFT FUNDS BELONGING TO THE BENEFICIARY.	
3	I UNDERSTAND THAT I MUST REPORT ANY OF THE FOLLOWING CHANGES TO THE FIDUCIARY ACTIVITY IMMEDIATELY: <ul style="list-style-type: none"> <li>▪ CHANGE IN ADDRESS OR PHONE NUMBER (BENEFICIARY'S OR FIDUCIARY'S)</li> <li>▪ CHANGE IN INCOME OR DEPENDENTS</li> <li>▪ INCARCERATION OR HOSPITALIZATION IN A VA OR STATE FACILITY</li> <li>▪ DEATH OF THE BENEFICIARY OR DEPENDENT OF THE BENEFICIARY</li> </ul>	
4	I UNDERSTAND THAT I MUST ESTABLISH A PROPERLY TITLED BANK ACCOUNT AS FOLLOWS: BENEFICIARY'S NAME BY YOUR NAME, FEDERAL FIDUCIARY.	
5	I UNDERSTAND THAT IN NO INSTANCE SHALL THE BENEFICIARY'S FUNDS BE COMMINGLED WITH EITHER MY OR ANYONE ELSE'S FUNDS.	
6	I UNDERSTAND THAT ALL DISBURSEMENTS ARE TO BE MADE BY CHECK OR ELECTRONIC PAYMENT FROM THE CUSTODIAN BANK ACCOUNT. NO CHECKS ARE TO BE WRITTEN FOR CASH AND NO CASH WITHDRAWALS, <b>NO EXCEPTIONS.</b>	
7	I UNDERSTAND THAT I MUST KEEP ACCURATE, COMPLETE RECORDS AND RECEIPTS, REGARDLESS IF I AM REQUIRED TO SUBMIT PERIODIC ACCOUNTINGS.	
8	I UNDERSTAND THAT I AM REQUIRED TO COMPLETE PERIODIC ACCOUNTINGS. THE FIRST ACCOUNTING IS DUE ON _____.	
9	I UNDERSTAND THAT I MUST STRICTLY ADHERE TO THE "FUND USAGE AGREEMENT" ON PAGE 3 OF THIS FORM. ANY DEVIATION MUST BE APPROVED IN WRITING BY THE FIDUCIARY ACTIVITY.	
10	I UNDERSTAND THAT IF I RECEIVE A ONE-TIME OR RETROACTIVE PAYMENT OF \$1,000 OR GREATER ON BEHALF OF THE BENEFICIARY, I MUST CONSERVE THE PAYMENT UNLESS I OBTAIN <b>PRIOR APPROVAL</b> FROM THE FIDUCIARY ACTIVITY.	
11	I UNDERSTAND THAT I AM/AM NOT REQUIRED TO PROVIDE A SURETY BOND IN THE AMOUNT OF \$ _____.	
12	I UNDERSTAND THAT I WILL BE HELD RESPONSIBLE FOR MISUSE OF THE BENEFICIARY'S FUNDS OR FOR NOT ADHERING TO THESE REQUIREMENTS.	
13	I UNDERSTAND THAT VA MAY OBTAIN, AT ANY TIME FOR WHICH I AM FIDUCIARY, ASSET INFORMATION FROM THE FINANCIAL INSTITUTIONS FOR ALL ACCOUNTS ON BEHALF OF THE BENEFICIARY.	

The field examiner has explained my responsibilities and I have received a copy of this form.

SIGNATURE OF FIDUCIARY	DATE SIGNED
SIGNATURE OF FIELD EXAMINER	DATE SIGNED

## FUND USAGE AGREEMENT

### PART I - MONTHLY INCOME

As a Federal Fiduciary, you are responsible for receiving the beneficiary's VA income and ensuring the beneficiary's just debts are paid. The following is a list of all known income for the beneficiary. Please communicate any discrepancies with the Fiduciary Activity.

1	VA COMPENSATION /PENSION/DIC	\$
2	VA EDUCATION BENEFIT	\$
3	SOCIAL SECURITY	\$
4	OTHER RETIREMENT	\$
5	WAGES	\$
6	SPOUSE'S SOCIAL SECURITY INCOME	\$
7	SPOUSE'S OTHER INCOME	\$
8	SPOUSE'S WAGES	\$
9	RETROACTIVE BENEFITS	\$
<b>TOTAL</b>		\$

### PART II - EXPENSES

The following information is correct to the best of my knowledge and I agree to the following expenditures:

		MONTHLY EXPENSE	PAID FROM VA BENEFIT
1	AUTO INSURANCE	\$	\$
2	CARE PROVIDERS	\$	\$
3	CELL PHONE	\$	\$
4	CLOTHING	\$	\$
5	CREDIT CARD	\$	\$
6	CREDIT CARD	\$	\$
7	CREDIT CARD	\$	\$
8	DEPENDENT SUPPORT	\$	\$
9	ELECTRICITY	\$	\$
10	FIDUCIARY FEE <i>(If approved)</i>	\$	\$
11	GAS/OIL/FUEL OIL	\$	\$
12	GROCERIES	\$	\$
13	INSTITUTIONAL CARE	\$	\$
14	INSURANCE - HOME/RENTERS	\$	\$
15	INSURANCE - HEALTH/DENTAL	\$	\$
16	INSURANCE - LIFE	\$	\$
17	INTERNET SERVICE	\$	\$
18	MEDICAL CO-PAYS	\$	\$
19	MORTGAGE/RENT/ROOM AND BOARD	\$	\$
20	PERSONAL NEEDS ALLOWANCE	\$	\$
21	PRESCRIPTIONS	\$	\$
22	REAL ESTATE TAXES	\$	\$
23	TELEPHONE	\$	\$
24	TITHES	\$	\$
25	TRASH	\$	\$
26	TV <i>(CABLE, ETC.)</i>	\$	\$
27	VEHICLE MAINTENANCE <i>(GAS, OIL, ETC.)</i>	\$	\$
28	VEHICLE PAYMENT	\$	\$
29	VEHICLE PAYMENT	\$	\$
30	VEHICLE REGISTRATION/TAXES, ETC.	\$	\$
31	WATER/SEWER	\$	\$
32	OTHER <i>(Specify)</i>	\$	\$
33	OTHER <i>(Specify)</i>	\$	\$
34	OTHER <i>(Specify)</i>	\$	\$
35	OTHER <i>(Specify)</i>	\$	\$
<b>TOTAL</b>		\$	\$

SIGNATURE OF FIDUCIARY	DATE	SIGNATURE OF FIELD EXAMINER	DATE

## INFORMATION FOR FIDUCIARY

*(Note: "Beneficiary" means the veteran or other VA beneficiary(ies))*

**AUTHORITY.** Under authority given by Congress in 38 U.S.C. §5502(a)(1), VA recognizes you as fiduciary (payee) to receive and manage the VA funds of the beneficiary(ies) named on page 1 of this agreement. This agreement supersedes any existing VA fiduciary arrangement involving the beneficiary.

**RESTRICTED USE OF VA FUNDS.** The VA-derived funds you receive under this agreement are not for your personal use. You will receive these funds as a federal fiduciary, which means that you use the funds exclusively for the beneficiary and his or her VA-recognized dependents, if any, and as specifically authorized by VA. You may not mix the beneficiary's funds with your own personal funds.

**AUTHORIZED INVESTMENTS FOR SURPLUS VA FUNDS.** A legal custodian may only place VA funds not needed by the beneficiary in specific investments. These funds may be placed in U.S. savings bonds or in interest or dividend-paying accounts in State or Federally insured institutions, whichever is to the beneficiary's advantage. Excess funds in a checking account should be placed in a higher earning account; for example, a savings account. Legal custodians may also use a beneficiary's surplus VA funds for purchase of a pre-need burial plan or burial insurance on behalf of the beneficiary.

**REGISTRATION OF ACCOUNTS AND INVESTMENTS.** Fund accounts must be set up to show proper ownership as follows: "(Beneficiary's Name), by (Your Name), Federal fiduciary. Savings bonds must show proper ownership and existence of the fiduciary relationship, as follows: "(Beneficiary's Name), (Social Security No.), under custodianship by designation of the Department of Veterans Affairs." The bonds may not be cashed without VA approval.

**ACCOUNTINGS.** You must keep complete and accurate records of income received, expenditures, savings and investments. Information on page 1 of this agreement shows whether or not you are required by VA to submit periodic accountings. When accountings are required, you should submit them on the form that VA will give you. Although you may not be required now to submit accountings, VA may require accountings later. If so, VA will inform you.

**CERTIFICATES OF BALANCE ON DEPOSIT AND VERIFICATION.** When accountings are required and there are beneficiary funds on deposit, you must also submit a VA Form 21-4718a, Certificate of Balance on Deposit and Authorization to Disclose Financial Records. VA will give you that form which also includes an authorization for you to allow VA to verify deposits directly with the financial institution, if necessary.

**BOND AND WITHDRAWAL AGREEMENTS.** VA will tell you if you must purchase a corporate surety bond to protect the beneficiary's funds or sign a withdrawal agreement to provide additional protection of the beneficiary's VA funds.

**COMMISSIONS/FEES.** You may not take commissions or fees from the beneficiary's VA funds for your fiduciary services unless specifically authorized by VA.

**TAX EXEMPTION AND CLAIMS OF CREDITORS.** By Federal law, a beneficiary's VA income may not be taxed. As fiduciary, you must protect the beneficiary's funds from the claims of creditors. A creditor may not legally take the beneficiary's funds from you. Any questions regarding these issues should be addressed to the VA office shown on page 1 of this agreement.

**NOTIFICATION OF CHANGES.** You must inform VA when the beneficiary leaves your custody or has a change of address. You must also inform VA of any change in the beneficiary's status that may affect entitlement. Examples are hospitalization, employment, imprisonment, marriage, separation, divorce, gain or loss of dependents, and death.

**PROTECTION OF THE BENEFICIARY.** VA will take any necessary action to protect the interest of the beneficiary including, but not limited to, removing you as payee. VA may take legal action to recover funds from you that have been misused.

**QUESTIONS.** When you have questions about your responsibilities as payee, please contact the VA office shown on page 1 of this agreement.