



## 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. NAME OF VETERAN ( <i>First - middle - last</i> )	2. VA FILE NUMBER	3. NAME OF BENEFICIARY(IES)
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### RESPONSIBILITIES TO THE BENEFICIARY

1	I WILL USE THE BENEFICIARY'S VA BENEFITS UNDER MY MANAGEMENT FOR THE CARE, SUPPORT, EDUCATION, HEALTH, WELFARE, DESIRES AND COMFORT OF THE BENEFICIARY AND HIS OR HER DEPENDENTS.
2	I WILL ENSURE THAT ANY BEST-INTEREST DETERMINATION REGARDING THE USE OF VA FUNDS IS CONSISTENT WITH VA POLICY, WHICH RECOGNIZES THAT BENEFICIARIES IN THE FIDUCIARY PROGRAM ARE ENTITLED TO THE SAME STANDARD OF LIVING AS ANY OTHER BENEFICIARY WITH THE SAME OR SIMILAR FINANCIAL RESOURCES.
3	I ACKNOWLEDGE THAT THE FIDUCIARY PROGRAM IS NOT INTENDED FOR THE PURPOSE OF PRESERVING FUNDS FOR THE BENEFICIARY'S HEIRS. I UNDERSTAND DISBURSEMENT OF FUNDS IS NOT BASED ON MY OWN BELIEFS, VALUES, PREFERENCES AND INTERESTS.
4	I WILL MAINTAIN SEPARATE, PROPERLY TITLED FINANCIAL ACCOUNTS TO PREVENT COMMINGLING OF THE BENEFICIARY'S FUNDS FROM MY OWN FUNDS OR THE FUNDS OF ANOTHER BENEFICIARY UNDER MY MANAGEMENT. (THE BENEFICIARY'S SPOUSE, STATE OR LOCAL GOVERNMENT OR INSTITUTIONS, PUBLIC OR PRIVATE ARE EXEMPT FROM THE REQUIREMENT OF ESTABLISHING A SEPARATE ACCOUNT.)
5	I WILL DETERMINE THE BENEFICIARY'S MONTHLY EXPENSES AND AGREE TO MAKE TIMELY PAYMENT OF THESE PROVIDED THE BENEFICIARY HAS SUFFICIENT FUNDS TO MEET THE EXPENSES.
6	I WILL PROTECT THE BENEFICIARY'S VA BENEFITS FROM LOSS OR DIVERSION, TO INCLUDE PROTECTING THE MONEY FROM CREDITORS. I WILL PRIORITIZE THE BENEFICIARY'S EXPENSES TO ENSURE THE MOST CRITICAL EXPENSES ARE MET FIRST.
7	I WILL MAINTAIN PROPER DOCUMENTATION AND RECEIPTS FOR ALL INCOME AND EXPENSES OF THE BENEFICIARY.
8	I WILL NOT GAIN ANY PERSONAL FINANCIAL BENEFIT FROM MANAGEMENT OR USE OF THE BENEFICIARY'S FUNDS, UNLESS VA PRE-APPROVES FEES.
9	I WILL TAKE ALL REASONABLE PRECAUTIONS TO PROTECT PAPER AND/OR ELECTRONIC RECORDS IN MY POSSESSION WHICH CONTAIN THE BENEFICIARY'S PERSONALLY IDENTIFIABLE INFORMATION.
10	I WILL OBTAIN A CORPORATE SURETY BOND IF REQUIRED BY VA. I UNDERSTAND THAT I WILL BE UNABLE TO SERVE AS A FIDUCIARY IF I AM UNABLE OR FAIL TO SECURE A REQUIRED BOND.
11	I UNDERSTAND THAT I WILL BE HELD RESPONSIBLE FOR MISUSE OF THE BENEFICIARY'S FUNDS UNDER MY MANAGEMENT. THIS MAY INCLUDE VA'S ESTABLISHMENT OF A PERSONAL DEBT AGAINST ME AND/OR MY CRIMINAL PROSECUTION.
12	I WILL PROVIDE THE BENEFICIARY WITH INFORMATION REGARDING FUNDS UNDER MY MANAGEMENT, INCLUDING A COPY OF APPROVED ANNUAL ACCOUNTINGS.
13	I WILL, TO THE EXTENT POSSIBLE AND TO THE BEST OF ABILITIES: <ul style="list-style-type: none"> <li>• ENSURE THE BENEFICIARY RECEIVES APPROPRIATE MEDICAL CARE.</li> <li>• ACKNOWLEDGE AND CORRECT ANY DISCORD OR UNCOMFORTABLE LIVING OR OTHER SITUATION</li> <li>• CONTACT SOCIAL WORKER OR MENTAL HEALTH PROFESSIONAL REGARDING THE BENEFICIARY, AS NEEDED.</li> <li>• REPORT ANY TYPE OF KNOWN OR SUSPECTED ABUSE OF THE BENEFICIARY TO THE APPROPRIATE AUTHORITIES.</li> <li>• CONTACT THE BENEFICIARY UPON RECEIVING A FIDUCIARY APPOINTMENT LETTER AND ENSURE THE BENEFICIARY HAS MY UPDATED CONTACT INFORMATION, AT ALL TIMES.</li> <li>• MAINTAIN CONTACT WITH THE BENEFICIARY TO ASSESS THE BENEFICIARY'S CAPABILITIES, LIMITATIONS, NEEDS AND OPPORTUNITIES.</li> </ul>
14	IF A COURT APPOINTED GUARDIAN EXISTS, I WILL PROVIDE COPIES OF ALL FIDUCIARY DOCUMENTATION PROVIDED TO THE BENEFICIARY TO THE COURT APPOINTED GUARDIAN.

4. NAME OF BENEFICIARY(IES)	5. VA FILE NUMBER
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**RESPONSIBILITIES TO THE DEPARTMENT OF VETERANS AFFAIRS**

1	I ACKNOWLEDGE THAT I MUST MAINTAIN COMPLETE AND ACCURATE RECORDS AND RECEIPTS PERTAINING TO THE USE OF THE BENEFICIARY'S FUNDS. AT THE COMPLETION OF MY SERVICES, I AM OBLIGATED TO MAINTAIN THESE RECORDS AND RECEIPTS FOR TWO YEARS.
2	I ACKNOWLEDGE THAT AT THE COMPLETION OF MY SERVICES, I WILL RELEASE ALL BENEFICIARY FUNDS, U.S. SAVINGS BONDS, AND OTHER SECURITIES UNDER MY CONTROL AS A VA FIDUCIARY AS DIRECTED BY VA. IN CASES OF A MINOR CHILD REACHING 18, I WILL TURN OVER ANY REMAINING BENEFICIARY FUNDS TO THE BENEFICIARY.
3	I ACKNOWLEDGE THAT IF REQUIRED TO COMPLETE AN ANNUAL ACCOUNTING, I WILL TIMELY SUBMIT THE ACCOUNTINGS AND REQUIRED DOCUMENTS ON VA-PRESCRIBED FORMS.
4	I WILL NOTIFY THE FIDUCIARY HUB REGARDING ANY CHANGE IN THE BENEFICIARY'S CIRCUMSTANCES, TO INCLUDE HIS OR HER: <ul style="list-style-type: none"> <li>• RELOCATION, HOSPITALIZATION, OR INCARCERATION.</li> <li>• DEATH, SERIOUS ILLNESS, OR ANY OTHER SIGNIFICANT CHANGES IN THE BENEFICIARY'S CIRCUMSTANCES WHICH MIGHT AFFECT THE BENEFICIARY'S WELL-BEING OR BENEFIT PAYMENTS.</li> </ul>
5	I WILL PROVIDE DOCUMENTATION OR VERIFICATION OF ANY RECORDS CONCERNING THE BENEFICIARY OR MATTERS RELATING TO MY RESPONSIBILITIES AS FIDUCIARY WITHIN 15 DAYS OF A REQUEST FROM VA UNLESS OTHERWISE DIRECTED BY THE HUB MANAGER OR DESIGNEE
6	I WILL PARTICIPATE IN FACE-TO-FACE MEETINGS WITH VA STAFF WHEN NECESSARY OR REQUESTED.
7	I ACKNOWLEDGE THAT MY PERSONAL INFORMATION AS IT RELATES TO ANY APPEALABLE DECISION, MAY BE RELEASED TO THE BENEFICIARY.
8	I ACKNOWLEDGE VA HAS THE AUTHORITY TO COMPLETE A CREDIT BACKGROUND CHECK AND A CRIMINAL HISTORY INQUIRY AS REQUIRED.
9	I WILL COMPLY WITH ALL VA POLICIES AND PROCEDURES IDENTIFIED IN 38 C.F.R. PART 13.
10	I ACKNOWLEDGE I RECEIVED A COPY OF <i>INFORMATION FOR FIDUCIARIES</i> .
11	I AGREE TO READ A GUIDE FOR VA BENEFICIARIES AVAILABLE AT: <a href="http://www.benefits.va.gov/fiduciary/Fid_Guide.pdf">HTTP://WWW.BENEFITS.VA.GOV/FIDUCIARY/Fid_Guide.pdf</a> .

**STATEMENT OF UNDERSTANDING**

In signing below, I acknowledge that I understand and agree to the information provided. I further agree to serve as VA fiduciary for the beneficiary, if appointed, and that my appointment as VA fiduciary is not effective until I receive a confirmation letter from VA.

6. NAME OF PROPOSED FIDUCIARY	7. SOCIAL SECURITY OR TAX ID NUMBER	8. DATE OF BIRTH	9. RELATIONSHIP TO BENEFICIARY
10. PHYSICAL ADDRESS	11. MAILING ADDRESS		12. TELEPHONE NUMBER
13. SOURCE OF INCOME			14. APPROXIMATE ANNUAL INCOME
15. SIGNATURE OF PROPOSED FIDUCIARY ( <i>Sign in ink</i> )			16. DATE
17. SIGNATURE OF FIELD EXAMINER ( <i>Sign in ink</i> )			18. DATE

## INFORMATION FOR FIDUCIARY

**AUTHORITY.** Under authority given by Congress in 38 U.S.C. §5502(a)(1), VA proposes to recognize you as fiduciary to receive and manage the VA funds of the beneficiary(ies). Your appointment, if approved, will supersede any existing VA fiduciary arrangement involving the beneficiary.

**BENEFICIARY'S RIGHTS.** A beneficiary in the fiduciary program has the same rights as any other VA beneficiary except as it pertains to direct payment of VA benefits. Beneficiary's rights include the right to:

- Require VA to consider the beneficiary's stated preference for a fiduciary appointment.
- Make a reasonable request for the appointment of a successor fiduciary if credible information is provided that current fiduciary is not acting in the beneficiary's interest, if the fiduciary is unable to effectively serve the beneficiary, or if the fiduciary receives a fee and an unpaid fiduciary is identified.
- Receive notice regarding VA's appointment of a fiduciary or any other decision on a fiduciary matter that affects VA's provision of benefits to the beneficiary.
- Be informed of a fiduciary's name, telephone number, mailing address, and email address.
- Contact his or her fiduciary and request a disbursement of funds for current or foreseeable needs or consideration for payment of previously incurred expenses or other information or assistance consistent with the responsibilities of the fiduciary prescribed below.
- Obtain from the fiduciary a copy of the fiduciary's VA-approved annual accounting, if applicable.
- Have VA reissue VA benefits misused by a fiduciary under certain circumstances.
- Appeal VA's decisions regarding fiduciary appointment.
- Be removed from the fiduciary program, or receive benefits directly with VA supervision if the beneficiary demonstrates the ability to manage his or her VA benefits through supervised direct payment.
- Be represented by a VA-accredited attorney, claims agent, or representative of a VA-recognized veterans service organization.

**FIDUCIARY'S RESPONSIBILITIES TO THE BENEFICIARY.** Your responsibilities as fiduciary to the beneficiary include but are not limited to those listed below. At a minimum, you must:

- Use the beneficiary's VA benefit funds under management only for the care, support, education, health, and physical and mental welfare of the beneficiary and his or her dependents.
- Ensure that any best-interest determination regarding the use of VA funds is consistent with VA policy, which recognizes that beneficiaries in the fiduciary program are entitled to the same standard of living as any other beneficiary with the same or similar financial resources, and that the fiduciary program is not for the purpose of preserving funds for the beneficiary's heirs or disbursing funds according to the fiduciary's own beliefs, values, preferences, and interests.
- Protect the beneficiary's VA benefits from loss or diversion.
- Protect the beneficiary's VA funds from the claims of creditors.
- Maintain separate financial accounts to prevent commingling of the beneficiary's funds with your own funds or the funds of any other beneficiary for whom you manage funds. (The beneficiary's spouse, state or local government or institutions, public or private are exempt for the requirement of establishing a separate account.)
- Determine the beneficiary's monthly expenses and prioritize the monthly expenses based on critical needs first.
- Timely pay the beneficiary's monthly expenses, provided that you have sufficient funds under management for the beneficiary to cover such expenses.
- Invest excess funds in an interest-bearing account, such as a savings account or other federally insured instrument.
- Purchase a pre-need burial plan or burial insurance if it's determined that it is in the best interest of the beneficiary.
- Provide the beneficiary with information regarding VA funds under your management and fund usage information, upon request.
- Provide the beneficiary with a copy of the annual accounting approved by VA, if you are required to account.
- Take all reasonable precautions to protect the beneficiary's private information contained in your paper and electronic records.

## **FIDUCIARY'S RESPONSIBILITIES TO THE BENEFICIARY (Continued).**

- Contact social workers or mental health professionals regarding the beneficiary, when necessary.
- Ensure the beneficiary receives appropriate medical care to the extent possible.
- Correct any discord or uncomfortable living or other situations when possible.
- Acknowledge and address any complaints or concerns of the beneficiary to the best of your ability.
- Report to the appropriate authorities, including any legal guardian, any type of known or suspected abuse of the beneficiary.
- Maintain contact with the beneficiary for purposes of assessing the beneficiary's capabilities, limitations, needs, and opportunities.
- Be responsive to the beneficiary and ensure the beneficiary and his or her legal guardian have your current contact information.

**FIDUCIARY'S RESPONSIBILITIES TO VA.** As fiduciary, you are required to fulfill certain obligations to VA. Those obligations include but are not limited to the duty to:

- Provide to the fiduciary hub with jurisdiction a certified copy of the annual accounting provided to the court or facilitate the hub's receipt of such an accounting, if applicable.
- Notify the fiduciary hub regarding any change in the beneficiary's circumstances, to include the beneficiary's relocation, hospitalization, incarceration, serious illness, death, or any other significant change in the beneficiary's circumstances which might adversely impact the beneficiary's well-being.
- Provide documentation or verification of any records concerning the beneficiary or matters relating to the fiduciary's responsibilities within 15 days of a VA request, unless otherwise directed by the hub manager or designee
- When necessary, appear before VA for face-to-face meetings.

**REGISTRATION OF ACCOUNTS.** You must establish a custodial account in the beneficiary's name and your name, and identify the fiduciary relationship. The title of the account will show the beneficiary has ownership of, but not access to, VA funds. Registration of an account in this manner is not required for spouse fiduciaries, financial institutions and certain fiduciaries that are also institutions.

**ACCOUNTINGS.** You may have to submit an accounting to VA, in which you will provide details about the funds you manage for the beneficiary. You are required to maintain all records necessary to prepare an accounting, as VA may require you to account for the beneficiary's funds at any time.

**ACCOUNTING ASSISTANCE.** You will find an electronic version of VA Form 21P-4706b and an Accounting Tool to assist you in preparing the accounting at <http://benefits.va.gov/fiduciary/references.asp>.

**BONDS.** If you manage more than \$25,000 in VA funds for the beneficiary, VA may require you to obtain a corporate surety bond. VA will notify you if you must purchase a surety bond.

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

**TAX EXEMPTIONS AND CLAIMS OF CREDITORS.** By Federal law, a beneficiary's VA income may not be taxed. As fiduciary, you must protect the beneficiary's VA funds from the claims of creditors. Only the Internal Revenue Service can make claims on VA funds. A fiduciary may pay a creditor if the beneficiary has VA funds to pay the creditor, but VA funds should first go to pay for the beneficiary's basic needs.

**PROTECTION OF THE BENEFICIARY.** VA will take any action necessary to protect the interest of the beneficiary, may include your removal as fiduciary. VA may take legal action to recover funds from you that have been misused, which could include a debt to the Department of Veterans Affairs and criminal prosecution.

**QUESTIONS.** When you have questions about your responsibilities as a fiduciary, please contact the fiduciary hub at 1-888-407-0144.