

## Procedures for Purchasing a Vehicle

**It may take up two weeks for the request to be processed**

Purchasing reliable transportation is a legitimate expense from a special needs trust. This is a very important investment. The following steps must be followed:

- **Pre-approval is required for all vehicle purchases**

A beneficiary must not take possession of a vehicle until the vehicle purchase is been approved by The Director of Trusts and the payment is made to the buyer. The pre-approval process has two steps. Each step must be approved before moving forward:

**First step:** The beneficiary/ Primary representative must send the following documentation:

- ✚ A copy of the beneficiary's driver's license
- ✚ A copy of the beneficiary's driving records for the last 5 years. You can request a copy at any local DMV agency or online. The Trust can be used for the DMV fee.

**Second step:** The beneficiary/ Primary representative must send the following documentation:

- ✚ A copy of the vehicle history report from CARFAX or similar company (for used vehicles)
- ✚ A copy of independent mechanic inspection (for used vehicles)

- **A signed disbursement request form**

The beneficiary must send the following documentation along with the request:

- ✚ A copy of the sales agreement signed by the dealer or private person and the beneficiary/legal representative

- **The Trust must be listed as lien holder**

The Foundation of The Arc of Northern Virginia requires a lien on all cars purchased fully or partially using the Trust funds. Why?

1. To avoid jeopardizing the beneficiary's government benefits
2. To protect the beneficiary's property

After the request to purchase a car is approved by The Director of Trusts, KeyBank will contact the beneficiary/ Primary representative for the suggested language for the lien.

- **Car insurance is required**

The Trust must be listed as loss payee/lien holder on the policy. The same language suggested for the lien should be used.

- **The beneficiary must comply with state regulations to keep the vehicle registered and inspected yearly**

- **Supplemental Security Income (SSI) and Medicaid recipient information**

Social Security Administration and Department of Social Services do not allow SSI or Medicaid recipients to own more than one vehicle. If the beneficiary previously owned a vehicle, please send DMV or trade-in documentation.

*I have reviewed and understood all the steps in the vehicle purchase process and agree to complete all necessary steps before purchasing a vehicle.*

_____ Name of Beneficiary	_____ Trust Participant Number	
_____ Primary Representative	_____ Signature	_____ Date

For internal use only:

Approved by \_\_\_\_\_ Date \_\_\_\_\_