

Policies and Instructions for I.L.I.T.ø

Irrevocable Life Insurance Trusts which are being created for a specific NEW Insurance policy, must adhere to the following rules and regulations:

- 1) The I.L.I.T. must be the "Owner" of the Life Insurance Policy
- 2) The I.L.I.T. must be the "Beneficiary" of the Life Insurance Policy
- 3) The *children* of the Trustors must be the Beneficiaries of the I.L.I.T.
- 4) The Trustee must open a bank account in the name of the I.L.I.T.
- 5) The initial issue of the Policy must be in the name of the I.L.I.T.
- 6) The spouse of the Trustor cannot be the Trustee of the I.L.I.T.

When creating an I.L.I.T. for a NEW Life Insurance Policy, the following steps should be taken, in a very specific order, as follows:

- 1) The I.L.I.T. is created
- 2) The EIN is obtained
- 3) The bank account is opened
- 4) The insurance policy is THEN dated

ILIT APPLICATION INSTRUCTIONS

IMPORTANT:

Once the Irrevocable Life Insurance Trust is completed there are no changes allowed.

PAGE ONE OF ILIT APPLICATION

Trust Name:

Most ILITs names are the same as the Client's name. If the ILIT name is different than the Client's name, write in the name. If it is same as the Client's name, write, "Same as Client name."

Client's Address:

If the client has more than one residence, this would be the address in which the client is establishing the insurance policy and the ILIT.

Trustee #1:

This is the person that makes sure the proceeds are distributed to the beneficiary(s) at the death of the client. This person cannot be a beneficiary.

Trustee #2: (Optional)

This is the second person that makes sure the proceeds are distributed to the beneficiary(s) at the death of the client. This person cannot be a beneficiary.

Trustee #2 to serve Jointly or in Succession:

Write whether Trustee #2 is to serve "jointly" (together) or "in succession" (In the order listed above).

Interim Trustee: (Opional)

Serves temporarily until the intended Trustee reaches legal age or other circumstances are resolved. An example is if a client wants to name a minor child as Trustee #1. The interim Trustee would serve as Trustee until Trustee #1 reaches legal age. This person cannot be a beneficiary.

PAGE TWO OF ILIT APPLICATION

Beneficiaries:

List each beneficiary and the dollar amount or percentage of the death benefit each beneficiary is to receive upon the death of the client.

Have the client initial this paragraph, and sign and date the application:

I/We Understand that I/we have 72 hours from the signing of this application to CANCEL this agreement. I/We understand that an Irrevocable Life Insurance Trust is a highly personalized and customized set of documents and that no refunds will be made after 72 hours from the time we sign this application and this transaction will be considered final after 72 hours.

Client Initials: _____

Heritage Living Trust
I.L.I.T. APPLICATION

Agent's Name: _____

Client's Name: _____

Trust Name: _____
(If different than Client name)

Client's Address: _____

Client's County: _____

Client's Phone Number: _____

Trustee #1: _____
(Must be different than Beneficiary)

Trustee #1 Address: _____

Trustee #2: _____
(Optional) (Must be different than Beneficiary)

(To serve in Succession or Jointly)

Trustee #2 Address: _____

Interim Trustee: _____
(Optional) (Must be different than Beneficiary)

Interim Trustee Address: _____

Beneficiaries:

I/We Understand that I/we have 72 hours from the signing of this application to CANCEL this agreement. I/We understand that an Irrevocable Life Insurance Trust is a highly personalized and customized set of documents and that no refunds will be made after 72 hours from the time we sign this application and this transaction will be considered final after 72 hours.

Client Initials: _____

Client Signature:

Today's Date:

Additional Notes - Please attach a separate page if more space is needed