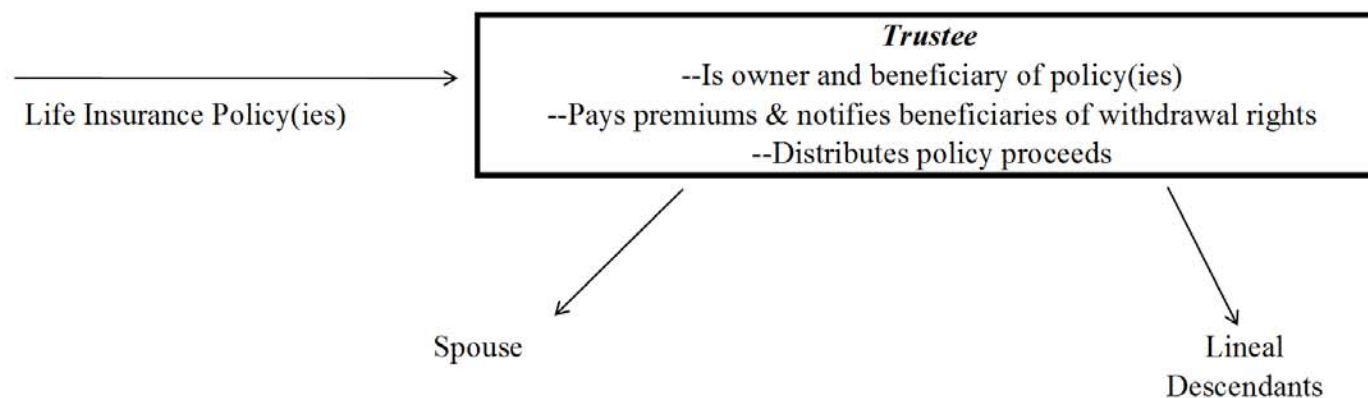


Irrevocable Life Insurance Trust Technique*



Common Objectives

- Remove policy proceeds from taxable estate
- Provide cash to estate and family

Common Steps to Implement

- Client establishes an irrevocable trust for benefit of spouse and descendants
- Client transfers ("contributes") cash to trust for premium payments
- Trustee buys insurance policy on Client as insured, Trustee is owner and beneficiary of policy
- Client may transfer/sell existing policy to trust, Trustee is owner and beneficiary of policy
- Client should not be Trustee and must relinquish all rights of ownership in policy - Trustee has all rights
- Beneficiaries (descendants) have right to withdraw funds for period of time after each "contribution"
- At Client's death, policy proceeds are distributed to trust then to named beneficiaries

**Not intended as legal or tax advice and cannot be relied upon to avoid any federal tax law penalty.*