Keep Assets Intact For Successive Generations

Helping Preserve Wealth for Heirs Requires Sound Planning

A family business, a treasured vacation home, art and heirlooms—some assets are truly indivisible and should be enjoyed by future generations.

You may wonder: How can I ensure that my heirs won't need to sell these assets to pay estate taxes?

An Irrevocable Life Insurance Trust (ILIT) is a powerful and versatile estate planning tool that holds significant potential to ease estate tax burdens, provides liquidity to heirs, and helps you preserve assets.

An ILIT lets you reduce estate taxes so more of your estate can go to loved ones. Since the trust owns your life insurance policies for you, the proceeds will not be included in your estate.

1

- The Grantor creates an Irrevocable Life Insurance Trust (ILIT)
- The ILIT purchases a life insurance policy
- The grantor gifts cash each year to the trust

2

- The trustee notifies the beneficiaries of the gift each year)
- The beneficiaries must refuse the gift each year
- The cash is then allocated to pay for the insurance premium

3

Upon the death of the grantor:

- The insurance proceed are paid to the trust
- The proceeds of the trust are available to the beneficiaries, per the instruction in the trust document
- The proceeds of the trust are not subject to estate tax

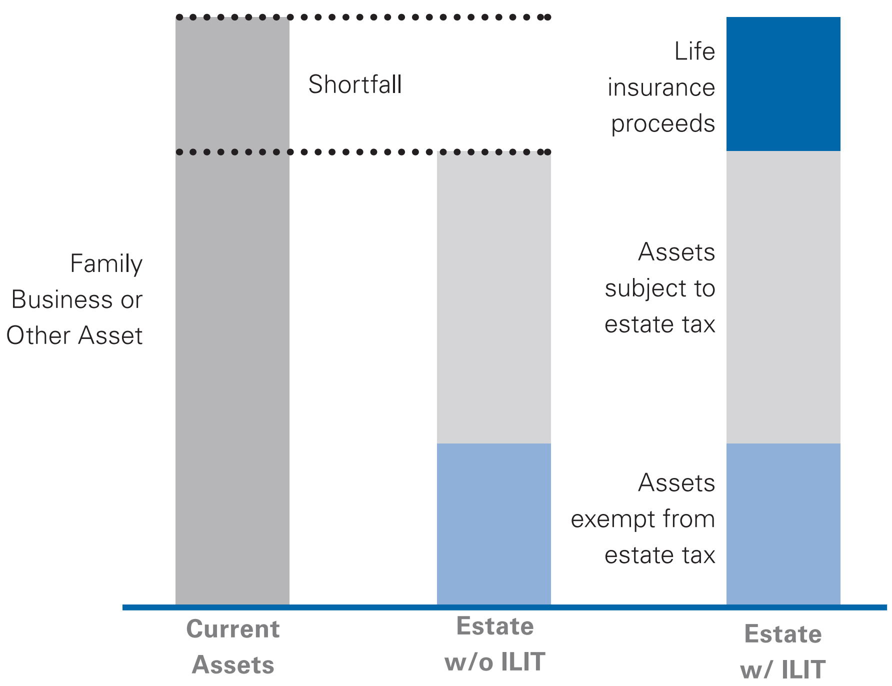
Ask your professional advisors today if an Irrevocable Life Insurance Trust with life insurance is right for you and your family.

LPL Financial

Key Benefits

- May preserve family assets that heirs would be forced to liquidate to pay estate taxes
- Increases after-tax value of the estate to your heirs
- With the irrevocable trust, insurance benefits remain outside of your estate
- Can provide beneficiaries with immediate cash, or long-term trust benefits

Powerful Solutions



To Benefit from the Tax Advantages of this Technique, You:

- Cannot make changes to the trust after it is created
- Cannot be the trustee or a beneficiary
- Must work with tax professionals to address gift-tax issues
- Must be insurable
- Must have the ILIT drafted by a qualified attorney

Best for Individuals with:

- Significant wealth, subject to estate tax
- Lump sum assets to transfer between generations
- Sufficient liquidity to pay insurance premiums