

WADE ASH

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IRREVOCABLE LIFE INSURANCE TRUST CHECKLIST FOR PAYING PREMIUMS FOR A LIFE INSURANCE POLICY OWNED BY AN IRREVOCABLE LIFE INSURANCE TRUST

- Write a check to the trustee of the trust in an amount to cover the premium
 - The check should be made payable to “[name of the trustee], trustee.”
 - The check should be signed by the insured/settlor who created the trust. If you created a trust that owns insurance on your life, and your spouse is a beneficiary of the trust, ***your spouse should not sign any checks payable to the trust.***
 - The check should be delivered to the trustee 30 or more days before the premium is due.

- You may need to write the check for a small amount in excess of the amount of the premium, so that the trustee may maintain a minimum balance in the trust's bank account.
- Give written notice of the gift to each beneficiary who has a right to make withdrawals with respect to that contribution.
 - This notice should be sent to the beneficiaries before or at the same time that you send the check to the trustee.*** We have provided you with a form to use for giving these notices. If you have questions about the notices, or want us to prepare the notices, be sure to let us know well before the premium is due.
 - Each beneficiary should sign a copy of the notice to acknowledge receiving it. If the beneficiary is a minor, the notice can be signed by the minor's parent. This should be the parent who is not insured by the policy owned by the trust.
 - The trustee should keep the signed notices as part of the trust records.
- The trustee should deposit the check in the trust's bank account.
- The trustee should write a check to the insurance company and send it to the insurance company to pay the premium. This check should be sent when the premium is due (after the money to pay the premium has been in the trust's bank account for 30 days) and always before the 30 day "grace period" for paying the premium ends.



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