

**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 **OR** arrange for electronic transfer of premium from your personal account to the trust account
 - ___ The check should be made payable to “[name of the trustee], trustee.” **OR** simply transfer the contribution to the account in the name of the trust.
 - ___ 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.*** If you created a joint life insurance trust, have the premium either transferred from a joint account, or ½ from one settlor’s personal account and ½ from the other settlor’s personal account.
 - ___ The check should be delivered to the trustee, or the transfer made into the trust account, 30 or more days before the premium is due.
 - ___ You may need to transfer 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 (if a check is used).
- ___ The trustee should write a check to the insurance company and send it to the insurance company to pay the premium, **OR** the trustee should arrange for on-line payment of the premium. This check should be sent or on-line payment made 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.