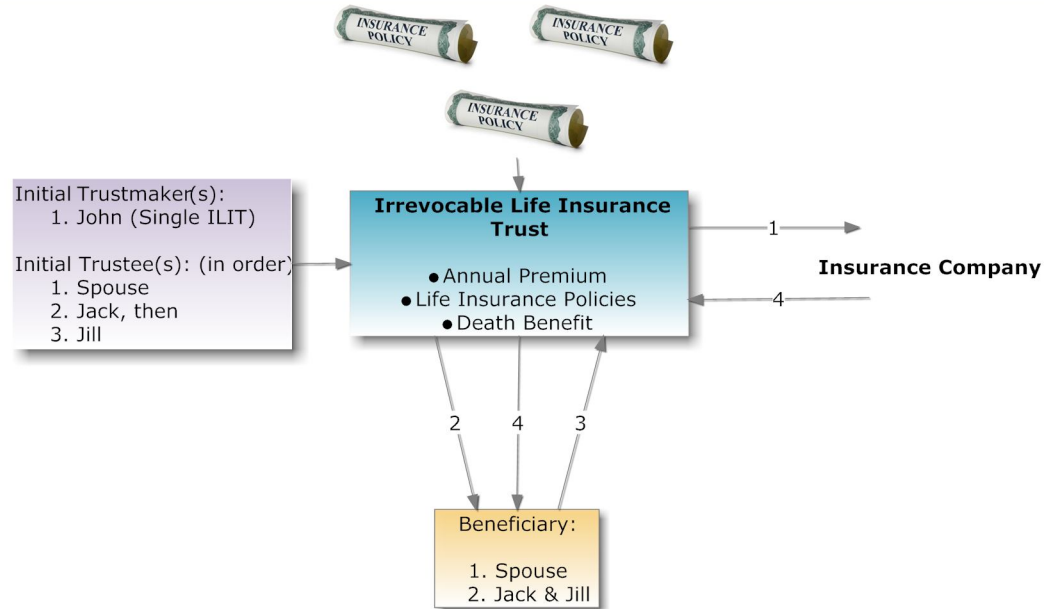


IRREVOCABLE LIFE INSURANCE TRUST (ILIT) FLOWCHART

**For
John and Jane Doe**

The irrevocable life insurance trust or ILIT is a special type of trust that holds and is the owner and beneficiary of a life insurance policy. The insurance owned by this trust can be placed on the life of the trust maker or trust maker and spouse. The payout from the policy is not estate taxable and is specifically earmarked to either replace a lost income stream or provide the funds and liquidity to pay estate taxes.



Trustee distributes proceeds according to trust direction after death.

No estate tax and no probate.

1	ILIT pays insurance premium
2	Notice of rights to gift
3	Does not exercise right
4	Life insurance proceeds