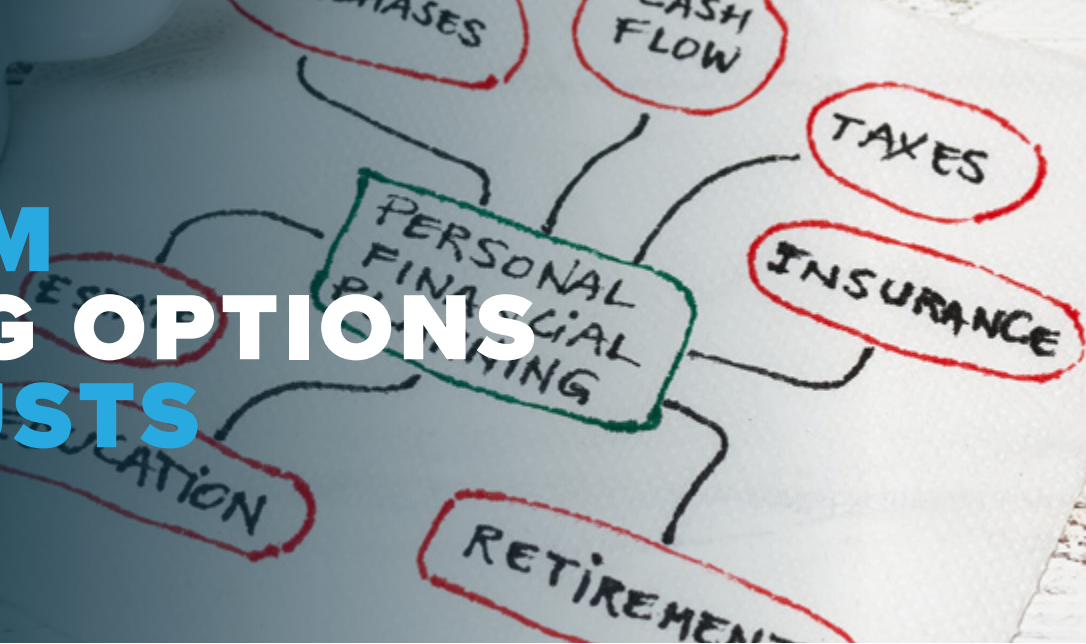


PREMIUM FUNDING OPTIONS FOR TRUSTS



YOU MAY CHOOSE TO SOURCE LIFE INSURANCE PREMIUMS FROM PERSONAL ASSETS/CASH FLOW, BUSINESS CASH FLOW, EXISTING TRUST ASSETS, OR COMMERCIAL LENDERS.

Common Trust Planning Strategies

- Spousal Lifetime Access Trust
 - Normal provisions, or
 - With grantor retained line of credit, or
 - With split dollar loan (okay if single)
- Sale to a Defective Grantor Trust
 - Forgive/repay/extend
- Private or Business Split Dollar
- Private or Commercial Financing
- Gifting
- Series of GRATs



Finding the right balance for you between planning goals, policy efficiency and funding affordability is critical. The best funding option(s) will depend upon the types of assets or cash flow available, desires for retractability, premium amount and duration, tolerance for risk and planning complexity, gift tax exposure, and other factors. Approaches may be combined as well.