FOR ATTORNEYS DRAFTING ILITS

Trust Drafting Guide: Naming LITCO as Trustee

Use this guide when drafting a trust that names LITCO as trustee. Our team reviews every trust before acceptance.

LEGAL NAME & SUCCESSORS

Life Insurance Trust Company, LLC, or its successors in interest

Use this exact name, with the successors-in-interest language, in the trust agreement.

LEGAL ADDRESS

5132 S. Cliff Avenue, Suite 6 Sioux Falls, SD 57108

LITCO is a South Dakota state chartered trust company.

Provisions to Include

Because LITCO specializes in trust-owned life insurance, the trust agreement should address the following.

1. **Life Insurance as a Trust Asset**
   Allow LITCO to purchase and hold life insurance as the main or only asset of the trust, to hold it without regard to diversification, and indemnify LITCO for doing so.

2. **Withdrawal Rights**
   Give beneficiaries the right to withdraw contributions to the trust. Clearly state who holds the withdrawal right, along with the current income and principal beneficiaries.

3. **Successor Trustee**
   Address the resignation, removal and appointment of trustees. If a trustee other than LITCO is intended after funding, spell this out. You may also want to state when a trustee may terminate the trust.

4. **Power to Engage Affiliates**
   Allow LITCO to engage its affiliates without a court order and to compensate them for their services. The language should be broad enough to cover both.

5. **Trustee Compensation**
   Allow LITCO to take compensation under its published fee schedule or a fee schedule agreed upon with the client.

To submit a new trust, email us at trustonboarding@lifeinsurancetrustco.com