IRREVOCABLE LIFE INSURANCE TRUST SERVICES

At First Trust Company, we recognize that most individual professionals and many corporate trustees prefer not to act as trustee of an irrevocable life insurance trust (ILIT) prior to the death of the settlor. Accordingly, the ILIT settlor is left with the choice of two unsatisfactory options:

- Pay a substantial annual fee to one of the diminishing number of corporate trustees still willing to accept ILIT accounts, most of which have limited expertise in the management of life insurance policies.
- Impose on a family member, close friend, or business associate to serve as trustee, any one of whom typically has no expertise with life insurance and no substantive understanding of fiduciary duty and risk.

CONTACT
Rapid City: 605.791.5133
St. Paul: 651.330.5910

firsttrustcompany.com

Today's life insurance marketplace is complex and ever changing. In collaboration with Fiduciary Insurance Advisors (www.fidcuciaryinsuranceadvisors.com), First Trust Company offers the expertise and experience to properly manage all aspects of a well-designed and effectively funded ILIT. Our ILIT services include:

- Comprehensive trust administration, including payment of premiums, processing Crummey notices, and servicing policy loans.
- Through Fiduciary Insurance Advisors, detailed analysis of both policies and issuing companies, including:
    - Funding adequacy – how long does the policy carry?
    - Competitiveness – when does it make financial sense to consider replacement?
    - Optimal policy type – GUL vs. UL vs. VUL vs. Whole Life vs. Term?
    - Policy loans and cost of insurance increases – what actions can and should be taken to avoid or minimize negative impact on policy performance?

Fee Schedule

First Trust Company welcomes the opportunity to serve as an ILIT trustee or as an agent for an individual ILIT trustee. We offer a simple, highly competitive annual fee structure that applies whether we serve the trustee or the trustee's agent.

- $ 1,000 Base fee
- $ 500 First policy
- $ 300 Each additional policy

In the case of an ILIT that provides for immediate distribution of death benefit proceeds following receipt, First Trust Company reserves the option to charge a termination fee equal to 1% of the amount of such proceeds, subject to a minimum termination fee of $2,500 and a maximum termination fee of $10,000.

Additional Information

- *First Trust Company and Fiduciary Insurance Advisors do not render legal advice or perform legal services.*
- *First Trust Company and Fiduciary Insurance Advisors do not receive compensation, commissions or reimbursements from any life insurance companies.*
- *Publication and distribution of this fee schedule does not constitute an offer or commitment to act as trustee. First Trust Company assumes no fiduciary duty or legal obligation until it accepts appointment as trustee.*

The effective date of this fee schedule is January 2017. All fee schedules of First Trust Company are subject to periodic revision. Please confirm that this schedule is currently effective.