

INSURANCE TRUST QUESTIONNAIRE

HUSBAND AND WIFE

1. **PERSONAL INFORMATION:**

A. Your Full Name and Other Names Used:
Husband _____

Wife _____

B. Address: _____

C. Home Telephone Number: _____
Business Telephone Number: _____
Telefax Number: _____

D. E-mail Address: _____

Would you prefer to receive documents via e-mail? ___ Yes ___ No

E. Are you legally married: _____

Any Prior Marriage(s)? Husband ___ Wife ___ .

F. Any Children from Prior Marriage(s)?

Husband ___ Wife ___ .

G. Are you a domestic partner? _____ Yes _____ No _____ N/A

If so, do you have a Civil Union _____ Yes - in what State _____

H Date of Birth: Husband _____ Wife _____

Citizenship: Husband _____ Wife _____

I. State of Present Health:

Husband _____ Wife _____

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- J. Amount of Insurance to be taken:_____
- K. Amount of Annual Premiums:_____
- L. How did you hear about us? _____

2. **YOUR DEPENDENTS AND IMMEDIATE FAMILY:**

A. Name, Address, and Date of Birth of each of your children and stepchildren:

B. Name, Address, and Date of Birth of each of your Grandchildren:

3. **YOUR BENEFICIARIES**

A “*typical*” distribution in an ILIT provides that when the insured dies and the Trust receives assets, then the insurance proceeds/trust assets can be used for the following purposes:

(i) to purchase assets from the insured’s estate so that the estate has “cash” to pay any potential estate taxes and to avoid the Estate having to sell an illiquid asset to a third party for a discounted price;

(ii) to provide monies for the spouse and children of the insured during the spouse’s lifetime. Note that by allowing the Trust to provide for the spouse and children, there is added flexibility for the Trust and the family. However, some people prefer that the Trust assets be used only for the surviving spouse during his/her lifetime; and then only after the spouse dies can the Trust assets be used for the children. Please consider and advise of your preference.

A. Provide for Spouse and Children_____

B. Provide for Spouse only_____

(iii) once the spouse dies, then the Trust assets are divided among the children or other family members. This can be equal or unequal distributions. This can be distributed outright, or remain in a further trust. A further trust for the benefit of a child can protect the assets from the child’s liability, divorce or additional taxes. Please consider and advise of your preference.

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(iv) in the event that a beneficiary dies before the termination of the trust, the monies that are designated for said beneficiary can be distributed to his/her children; or to the other beneficiaries of the Trust. Please consider and advise.

Although we use the word “typical” above, there are no rules about distributions. You should make your decisions that you feel most comfortable with and that address the needs or goals of your family.

4. **TRUSTEE**: A Trustee manages money held in a Trust following the rules that you provided. We can name your spouse as a Trustee, however, we also need to name an “independent” co-Trustee. Please name a Co-Trustee and at least once back up Co-Trustee.

Name, Address and Relationship of Primary
Trustee: _____

Name, Address and Relationship of Contingent
Trustee _____

Name, Address and Relationship of Second Contingent
Trustee _____

When the spouse dies, then the Trust funds typically are distributed to the children.

There are two common plans for such Trust as set forth below. Kindly indicate which plan you would prefer.

Trust A. Your Estate is divided equally. Any child that has reached age 21 takes his/her share outright. Any child under 21 has his/her share placed in a separate Trust. Each individual Trust

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pays for the health, education and maintenance needs of the individual child. Whatever remains in that individual trust is paid outright to the child when he/she reaches the age of 21.

Trust B. Your entire Estate is placed in a Single Trust until the youngest child reaches the age of 21 this is commonly referred to as a "POT TRUST". The Trust pays for the health, education and maintenance expenses of all children as their needs require. During the existence of the Trust, the Trustee is not required to make equal distributions to each child. Instead, the Trustee distributes money from the Trust to cover Health, Education and Maintenance Costs for each individual child. The Trustee could refuse a distribution to a child if that child is self-supporting and does not "need" the money. When the youngest child reaches the age of 21, whatever remains in the Trust is divided equally among the children.

Comment: Trust B, insures that the needs of each child is met before the luxuries of any one child are satisfied. This is an especially useful tool when there are adults and minor children and when there is a great difference in the ages or needs of the children.

Note: In both Trust Schemes, you can establish the comfort level you wish your children to enjoy.

TRUST A TRUST B

Note: The examples presuppose that your Trust is ultimately divided equally among all children and that you wish the Beneficiary to have the bequest outright at age 21. The percentage and age can be anything you wish. However, this is for illustration purposes only.

We recommend that distribution not be made outright to your children until they are at least 40 years of age. Further, we recommend "Sprinkling Distributions" so that your child receives a few distributions over his/her lifetime and not all in one lump sum. Finally, we should review the terms of your Last Will and Testament and any other Planning techniques employed in order to coordinate distributions of this Trust with other funds that your child(ren) will receive at your death.