

# Irrevocable Life Insurance Trust Administration (ILIT)



## FEES

\$1,500 Annual maintenance fee

\$1,500 One-time onboarding fee

\$500 Fee for each substitution of policy or additional policy

## INSURANCE POLICY REVIEWS

Most ILITs administered by First Covenant Trust & Advisors, LLC will be situated in a jurisdiction\* which, unless otherwise provided in the governing instrument, relieves the fiduciary of a life insurance trust from evaluating or diversifying the life insurance investment within the trust. The above fees are in light of such law, and it is not the practice of First Covenant to perform regular policy reviews. At the client's request, or if the governing instrument imposes such duties, or if the ILIT is situated in a jurisdiction without a similar statute, an annual policy review fee will be assessed. These fees are \$1,000 on the first trust-owned policy, and \$500 on each additional policy owned by the trust.

## NON-STANDARD SERVICES

It is First Covenant's design that these fees be all-inclusive. We do not charge termination fees, accounting fees or for miscellaneous expenses; however, while our fees are designed to be all-inclusive, additional charges may be assessed for non-standard services.

Additional charges will be based on specific agreement, specific specialized fee schedules, or on the hourly rates of appropriate personnel, which vary from time to time. Non-standard service staffing will be at First Covenant's discretion, and will depend on the responsibilities involved, as well as the size, importance, difficulty or novelty of the services. Such non-standard services may include (but are not necessarily limited to), diversification of investments within the ILIT, required exercise of policy options, required inquiry as to the financial condition or health of the insured relative to a life insurance contract, or administration of a policy having premiums due more often than semi-annually. Furthermore, First Covenant Trust and Advisors may charge hourly for planning and consulting work performed beyond the scope of the original engagement.

*First Covenant Trust & Advisors, LLC ("Covenant"), when administering ILITs situated in South Dakota, Tennessee and certain other jurisdictions is not liable for failure to evaluate life insurance contracts or to diversify. See SDCL §55-5-17 and TCA §35-14-105.*

*When serving as a co-fiduciary, Covenant reserves the right to assess the standard charges listed above in full. If accounts are closed within twelve months of the account opening date, Covenant reserves the right to assess the annual fee in full. This fee schedule is subject to change. Charges for services will be based on the published fee schedule in place at the time services are rendered.*