

# Accessing cash value. Keeping benefits out of your estate.

An irrevocable life insurance trust (ILIT) is a trust created to own life insurance outside your estate. A spousal limited access trust (SLAT) can make a traditional ILIT more flexible by providing access to the life insurance policy's cash value. Loans and withdrawals of the cash value can be used for emergencies, supplemental retirement income or other needs, while maintaining the policy's death benefit outside the taxable estate.

## The SLAT strategy is for people who:

- Are married and considering using an ILIT.
- Desire access to cash value inside an ILIT.
- Want to maintain the policy's death benefit outside the taxable estate.

## Benefits

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If properly administered and drafted, a SLAT:

- Provides the policy's death benefit free from income and estate taxes.
- Allows the family tax-favorable access to the policy's cash value.
- Enables the trustee to make distributions for supplemental retirement income for the grantor's spouse through policy loans and withdrawals.
- May be used with a single-life or a survivorship policy.
- Can protect assets from beneficiaries' creditors.
- Allows an independent trustee (such as a corporate trustee) absolute discretion to make distributions to the beneficiaries. Securian Trust Company can serve as your professional trustee. You can contact Securian Trust Company directly at 1-866-54TRUST (548-7878).

Minnesota Life and Securian Life, a New York authorized insurer, offer flexible, single-life and survivorship products to help **meet challenges the future may bring.**

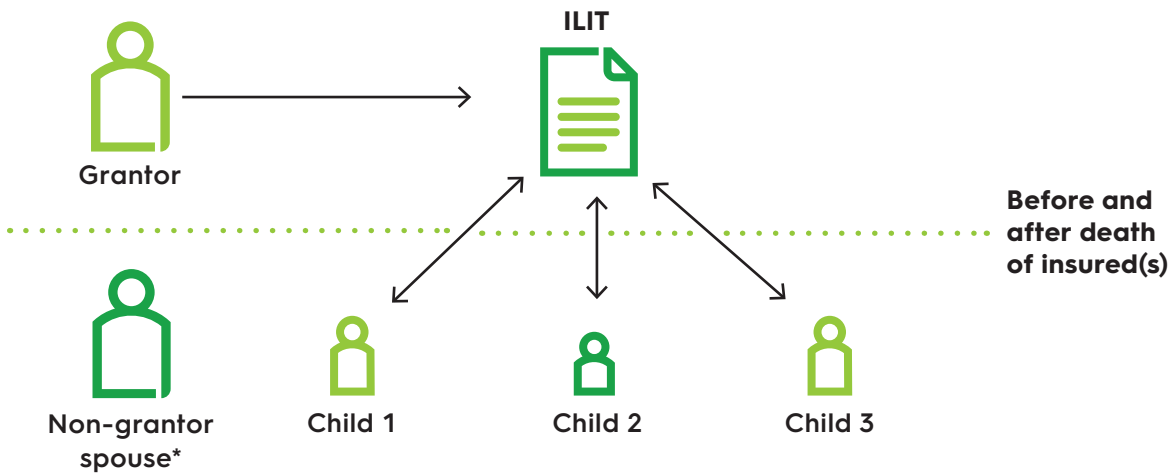
## Considerations

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- Transfers to an ILIT are irrevocable and may only be used for the benefit of trust beneficiaries.
- Any withdrawals and loans may reduce the policy's death benefit and cash value, and may cause it to lapse.
- Depending on the performance affecting the life insurance policy, the available cash value may be worth more or less than the original premium paid.
- Loans and withdrawals from policies classified as modified endowment contracts may be subject to a federal tax penalty if taken prior to age 59½.
- Annual life insurance premium needed may be higher than annual exclusion gifts.

## How a SLAT works

- One spouse establishes an ILIT, which allows the trustee to make distributions to the other spouse and children for health, education, maintenance and support.
- The ILIT trustee purchases a single-life policy on the grantor (insured) spouse or survivorship policy on grantor and non-grantor spouse.
- The insured spouse funds the premium gift to the ILIT (using separate property in community property states).
- The beneficiary spouse can "gift-split" with the grantor spouse but cannot make separate gifts to the trust. This allows the total gift tax exemption to increase by combining individual allowances.



## Put the future in your hands

Our products and services can help you preserve your legacy for generations to come. Your financial professional can help you find customized life insurance solutions for your estate. For more information about SLATs, talk to your financial professional today.

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\*Non-grantor spouse has access to cash value for his or her health, education, maintenance and support.

In some states, laws define spouse to also include a domestic or civil union partner.

Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

Life insurance products contain fees, such as mortality and expense charges (which may increase over time), and may contain restrictions, such as surrender periods.

Product features and availability may vary by state.

Policy loans and withdrawals may create an adverse tax result in the event of lapse or policy surrender, and will reduce both the surrender value and death benefit. Withdrawals may be subject to taxation within the first fifteen years of the contract. You should consult your tax advisor when considering taking a policy loan or withdrawal.

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Insurance products are issued by Minnesota Life Insurance Company in all states except New York. In New York, products are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

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