

Overview | Irrevocable life insurance trust

Control your legacy and preserve your estate

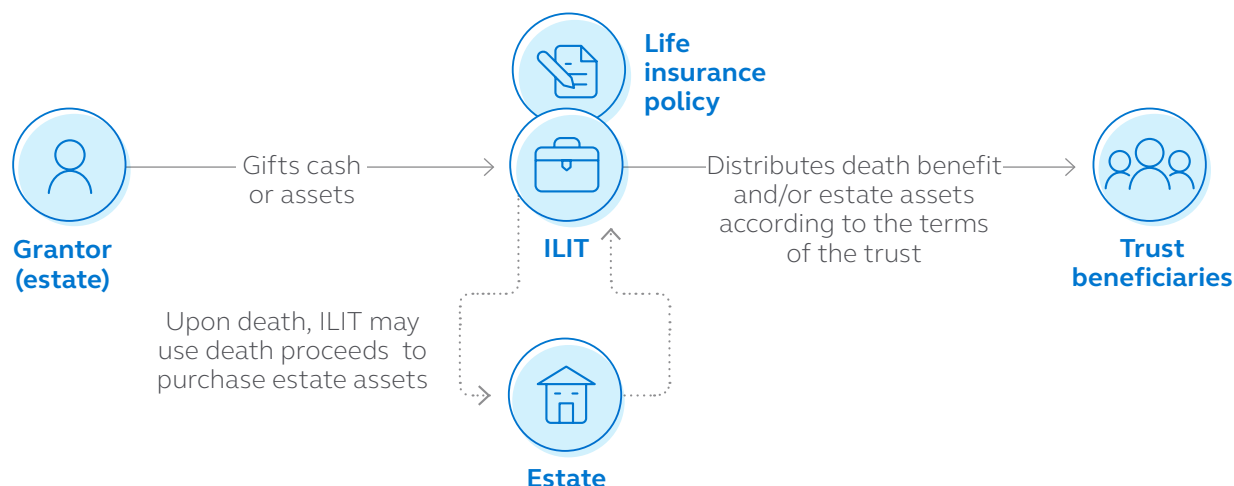
People with estates of all sizes share a common concern of making sure their family receives the full benefit of their lifetime's work. However, those with larger estates are potentially subject to the federal estate tax and have the added concern of how it will affect their legacy. An irrevocable life insurance trust (ILIT) can address this issue.

An ILIT can help you meet the **liquidity** needs of your estate, avoid **estate taxation** of the death proceeds, generate income for your family members, and potentially provide **creditor protection** of property in the trust.

Here's how it works

The ILIT can help provide liquidity to your estate.

- As the grantor, you establish the ILIT and gift cash or assets to the trust.
- Generally, the trust then purchases, pays for, and is the owner and beneficiary of an insurance policy on you, or you and your spouse.
- Upon death, the trust receives the life insurance death benefit.
- Typically, the trustee uses the proceeds to purchase assets from your estate. This helps assure your estate will have cash to pay the taxes.
- The trust distributes any assets to the beneficiaries according to your wishes.



 [Learn more](#)

Contact your financial professional or go to **principal.com**.



principal.com

Principal National Life Insurance Company and Principal Life Insurance Company®, Des Moines, Iowa 50392-0002.

The subject matter in this communication is educational only and provided with the understanding that Principal® is not rendering legal, accounting, investment, or tax advice. You should consult with appropriate counsel, financial professionals, and other advisors on all matters pertaining to legal, tax, investment, or accounting obligations and requirements.

Insurance products issued by Principal National Life Insurance Company (except in NY), Principal Life Insurance Company®, and the companies available through the Preferred Product Network, Inc. Plan administrative services provided through Principal Life Insurance Company®. Referenced companies are members of the Principal Financial Group®, Des Moines, IA 50392.

Not FDIC or NCUA insured

**May lose value • Not a deposit • No bank or credit union guarantee
Not insured by any Federal government agency**

Principal®, Principal Financial Group®, and Principal and the logomark design are registered trademarks of Principal Financial Services, Inc., a Principal Financial Group company, in the United States and are trademarks and service marks of Principal Financial Services, Inc., in various countries around the world.