



Field
Update



November 23, 2009

Aviva announces update to Trust Verification Form

Stranger owned life insurance (“STOLI”) has caused some concerns among the industry for several years. Most states have passed insurability rules or regulations or specific STOLI regulations prohibiting these types of transactions. Recently there has been a focus on the use of trusts to facilitate a STOLI transaction resulting in rules requiring that the beneficiaries of a trust that owns or is the beneficiary of a policy have an insurable interest in the insured.

In response to this focus Aviva has updated its Trust Verification Form ([#16541](#)) asking the trustee ensure the use of the trust within the life insurance policy is appropriate. The following language has been added to the Certification by Trustee(s) section of the form:

For new life insurance policies and for existing life insurance policies in states requiring that insurable interest exist on the transfer of issued policies, I/we agree that the beneficial interests under the Trust are now, can and will be established only for individuals who are related to and/or have a substantial interest in the Insured/Proposed Insured by blood or law or hold a lawful, substantial economic interest in the continued life of the Insured/Proposed Insured.

Beginning December 1, 2009, the updated version of the form will be required. If you have any questions, please contact Sales Support at (800) 255-2405, ext. 6620.



1. Please list all existing policies/contracts with an Aviva company that have this Trust as owner or beneficiary:

2. Full Name of Trust: _____
Please be sure to accurately state the Trust's full name.

3. Date of Trust: _____ 4. State Law that Governs the Trust: _____

5. TRUST TAX IDENTIFICATION NUMBER (Please check one):

The Trust does not have a separate taxpayer identification number and the personal taxpayer identification number of the FIRST Settlor/Grantor listed below should be used; or

The Trust tax identification number is _____

6. First/Last Name of Settlor/Grantor of Trust _____ Social Security Number _____

1. _____

2. _____

(Please attach additional pages if insufficient space has been provided.)

7. Names of ALL current Trustees:

1. _____

2. _____

3. _____

(Please attach additional pages if insufficient space has been provided.)

Note: Company policy and the rules of most state insurance departments prohibit an agent from acting as the Trustee of a client's Trust, unless that agent is a family member.

8. Names of ALL successor Trustees (if applicable):

1. _____

2. _____

3. _____

(Please attach additional pages if insufficient space has been provided.)

9. The Trust Agreement requires that; (Please mark the appropriate box)

ANY of the current Trustees, acting alone All of the Trustees acting together Other (explain)
must sign or otherwise authenticate forms and/or requests on behalf of the Trust in connection with insurance products.

10. Neither the insurance agent or any person affiliated with the insurance agent is a beneficiary of the Trust.

Agree Disagree

If you marked Disagree, please attach an explanation of why they are named a beneficiary of the Trust

Note: Under the laws of most states, an agent is restricted in, or prohibited from, having a beneficial interest in a contract/policy sold by that agent, unless that agent is a family member, or has a recognized insurable interest.

11. The Trust is validly executed and in full force and effect? Yes No

Note: Trust must be formed and domiciled in the United States or one of its Territories at all times.

12. Names of Notary and/or Witnesses of Trust:



* 1 6 5 4 1 1 0 0 9 0 1 *

Certifications by Trustee(s)

The Trustee(s) states and agrees that:

The Trust, if named owner, is authorized under the terms of the Trust to purchase and/or hold insurance on the life of any insured/annuitant. If named beneficiary, the Trust is authorized to receive proceeds as provided under the terms of the insurance policy and/or annuity contract. I/we have also determined the insurance product is appropriate for the Trust's purpose and the terms of the insurance product conforms to the income distribution requirements, if any, of the Trust.

I/We certify that the Company may rely solely on this Verification and the information provided for policy/contract administration purposes and the Company has no obligation to investigate the terms of the Trust or the authority of the Trustee(s). The Company expressly denies responsibility regarding the use and applications of any payments made to the Trust by the Trustee(s) and the Trustee(s) will hold the Company harmless from any action the Company takes at the direction of the Trustee(s).

The Trustee(s) declares that each and every Trustee and successor Trustee are bound by this certification. It is further understood that the Company may rely upon the direction of the named Trustee(s) until the Company receives written notification at its Home Office of a change of Trustee. Furthermore, the Trustee(s) agrees to notify the Company of any changes to the Trust itself that will alter the information provided in this Trust Verification.

For new life insurance policies and for existing life insurance policies in states requiring that insurable interest exist on the transfer of issued policies, I/we agree that the beneficial interests under the Trust are now, can and will be established only for individuals who are related to and/or have a substantial interest in the Insured/Proposed Insured by blood or law or hold a lawful, substantial economic interest in the continued life of the Insured/Proposed Insured.

The signature(s) below certify the previous information provided and agreed to on this Verification is true and accurate:

Note: The number of Trustees indicated in Question 7 must sign below

| | |
|----------------------|------|
| Signature of Trustee | Date |
| Signature of Trustee | Date |
| Signature of Trustee | Date |

Please be advised that the Company reserves the right to request and receive a copy of the Trust documents if it is determined that it is necessary to do so. Prior to payment of death benefit proceeds, the Company may also require proof that the Trust is then in full force and effect.



* 1 6 5 4 1 1 0 0 9 0 2 *