**Section 610.60 Trust Investment in Life Insurance or Annuities**

a) A Trustee of a trust account shall not invest trust funds in life insurance policies or tax deferred annuities unless the following requirements are met:

1) The company issuing the life insurance policies or tax-deferred annuities is licensed by the Illinois Department of Insurance and the insurance producer or annuity seller is licensed to do business in the State of Illinois;

2) Prior to the investment, the purchaser approves, in writing, the investment in life insurance policies or tax-deferred annuities;

3) Prior to the investment, the purchaser is notified by the seller in writing about the disclosures required for all pre-need contracts under Section 1a-1 of the Act, and the purchase of life insurance or a tax-deferred annuity is subject to the requirements of Section 2a of the Act;

4) Prior to the investment, the trustee informs the comptroller that trust funds shall be removed from the trust account to purchase life insurance or a tax-deferred annuity upon the written consent of the purchaser;

5) The purchaser retains the right to refund provided for in the Act, unless the pre-need contract is sold on an irrevocable basis as provided in Section 4 of the Act; and

6) Notice must be given in writing that the cash surrender value of a life insurance policy may be less than the amount provided for by the refund provisions of the trust account.