

Thirty Uses of Life Insurance

Do It for LOVE . . . OR . . . Do It for MONEY

There are many objectives that the ownership of a life insurance policy might address. But there are only two reasons your clients purchase life insurance: **Love and/or Money**.

Before your next meeting review, the following list to remind yourself of the ways life insurance can make a difference in the lives of your clients.

Life Insurance Proceeds Can Help:

- ❖ Replace income lost due to death of a wage earner.
- ❖ Establish a fund to pay for domestic services lost at the death of a caregiver such as a stay-at-home spouse.
- ❖ Protect future insurability.
- ❖ Create an education fund.
- ❖ Ensure a retirement income “completion fund.”
- ❖ Enhance an estate to provide for children of a prior marriage.
- ❖ Satisfy divorce related obligations.
- ❖ Create a fund to provide care for a loved one with special needs.
- ❖ Settle debts and loan obligations.
- ❖ Pay off or reduce home mortgage.
- ❖ Pay burial and other final expenses.
- ❖ Pay legal and administrative costs incurred at the insured’s death.
- ❖ Provide a source of liquidity to pay state and/or federal “death taxes.”
- ❖ Mitigate the impact of taxes on complex trusts.

Life Insurance issued by The Prudential Insurance Company of America and its affiliates.

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May Lose Value. Not a Deposit of or Guaranteed by Any Bank or Bank Affiliate.

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- ❖ Supplement any income shortfall of a total return or income trust.
- ❖ Replace loss due to IRD tax incurred by annuities, IRAs and qualified plan assets.
- ❖ Diminish the impact of marital deduction limitations of a surviving resident noncitizen spouse.
- ❖ Leverage transfers of generation skipping, annual exclusion, and exemption gift amounts.
- ❖ Freeze “hot estate asset” values.
- ❖ Equalize inheritances between business and nonbusiness heirs.
- ❖ Collateralize a business loan.
- ❖ Fund a buy-sell agreement.
- ❖ Stabilize a business at death of a key employee or owner.
- ❖ Fund postretirement health care costs.¹
- ❖ Offset loss to business caused by the death of a key employee.
- ❖ Establish a fund to retain key employees (stay-bonus, SERP, deferred compensation).
- ❖ Facilitate an ESOP repurchase obligation.²
- ❖ Replace wealth left to a charity.
- ❖ Create a fund to produce an income stream to noncharitable beneficiaries during the term of testamentary charitable lead trust.
- ❖ Leave a charitable legacy.

**Make a Difference in Your Clients' Life,
Call Us at 877-993-4778.**

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