



The TUSK Reference Guide to Life Insurance

Written by Daryl Arno Kutner | TUSK | A+ BBB Rated

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Introduction: Why Life Insurance Still Matters

Life insurance is not just a death benefit; it is a strategic financial asset that protects, accumulates, and transfers wealth. At TUSK, we offer unmatched advantages such as tax-free legacy, accessible liquidity, long-term care alternatives, and income tax protection. As independent brokers, we shop the market aggressively to ensure you receive the best contract every time.

Types of Life Insurance

1. Term Life Insurance

Definition: Pure protection for a fixed period (e.g., 10, 20, or 30 years).

Use Case: Affordable coverage during peak income/child-rearing years.

Living Benefits: Includes accelerated benefits for chronic, critical, and terminal illness.

Exit Strategy: Convert to permanent coverage without new underwriting.

2. Whole Life Insurance

Definition: Lifetime coverage with fixed premiums and guaranteed cash value.

Use Case: Estate planning, asset preservation, cash value accumulation.

Funding Options: Life pay, 12-pay, short pay, or lump-sum overfunding.

Protect what matters most — TUSK Risk Solutions



Tax-Free Income: Loans and withdrawals from overfunded policies can provide tax-free retirement income.

3. Universal Life (UL)

Definition: Flexible premiums and adjustable death benefit.

Use Case: Long-term protection with funding flexibility.

Features: Interest-crediting based on declared rates; option for increasing or level death benefit.

4. Indexed Universal Life (IUL)

Definition: Tied to the upside of a market index (e.g., S&P 500), without downside market risk.

Use Case: Tax-free accumulation and income, legacy protection.

Benefits: Flexible premium design, loan access, LTC/chronic illness riders.

5. Group Life Insurance

Definition: Employer-sponsored term coverage.

Limitations: Often non-portable and premiums rise with age.

FEGLI Warning: Federal Employee Group Life Insurance becomes unaffordable over time.

Strategic Uses of Life Insurance

Personal Uses

Family Protection: Pay off debts, fund education, replace income.

Tax-Free Legacy: Leverage small premiums into millions in tax-free benefits.

Living Benefits: Use for chronic illness, terminal illness, or LTC payouts.

Accessible Accumulation: Build liquidity for future needs.

Business Uses

Key Man Insurance: Protect the business from the death of a key employee.

Buy/Sell Planning: Fund shareholder/partner buyouts tax-efficiently.



Golden Handcuffs: Retain talent using executive bonus and split-dollar plans.

Advanced Strategies

Two-Bucket Estate Plan: Use annuities to fund life insurance—one bucket provides guaranteed income, the other creates a tax-free legacy.

Overfunding Strategies: Maximize contributions for future tax-free income.

Life Settlements: Sell unwanted or unneeded policies on the secondary market.

Funding Options

Life Pay: Level premiums for life.

Short Pay: Fully fund in 10 or 12 years.

Single Pay: Lump sum for cash-heavy clients.

Premium Flexibility: Adjust premium amounts in UL/IUL based on need.

Underwriting & Policy Management

Underwriting Determines Pricing: You apply for insurance and receive an offer. TUSK navigates this for you.

Mortality vs Morbidity: Mortality risk = death risk (life insurance); morbidity = illness risk (LTC, disability).

Conversions: Many term policies are convertible to permanent, even if health declines.

Policy Audits: Free audits available to see if better products are now available.

Exit & Liquidity Strategies

Return of Premium: Receive all premiums back at end of term (available with some policies).

Living Payouts: Access death benefit while living if diagnosed with illness.

Life Settlements: Turn an old or unnecessary policy into cash by selling on the secondary market.



Age Is Not a Barrier

Life insurance is not just for the young. Many clients over age 65 qualify for better rates due to extended mortality tables and improved product pricing. Older clients can benefit from life insurance's tax advantages and legacy planning features.

Expanded Strategic Insights & Industry Statistics

Key Industry Facts & Mortality Statistics

Only 2% of term life policies ever pay a death claim—most lapse or expire.

100% of permanent life policies eventually deliver value—via death benefit, long-term care use, or cash access.

Nearly 70% of Americans over age 65 will need some form of long-term care.

LTC costs exceed \$114,000/year on average in nursing facilities.

When to Use Life Insurance

Protection: Use convertible term during working years for income replacement, mortgage protection, and child support.

Estate Strategy: Replace your IRA with life insurance and gift the IRA to charity to double your legacy while reducing your tax burden.

Living Benefits and LTC Coverage Built In

Most modern TUSK policies offer living benefits, including:

Chronic Illness Access (2 of 6 ADLs).

Terminal Illness Payouts.

Long-Term Care Income Multipliers (2x–5x payouts over 5 years).



Cost Control – Life Insurance Is Not Expensive

Life insurance isn't about cost—it's about control. Premiums can be returned, borrowed from, or used to create tax-free income.

Underwriting Tough Cases

TUSK specializes in insuring clients with:

Cancer history, autoimmune conditions, diabetes, handicaps.

High-risk professions (e.g., underwater welders, horse jockeys, mountain climbers, Red Bull athletes).

TUSK Value Promise

We are independent brokers who shop aggressively to get you the best pricing and policy every time.

Schedule Your Custom Consultation

Call: (305) 290-1077

Web: www.tuskrisk.com Book your complimentary life insurance review today. Protect what matters most—with TUSK.

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