

## GERBER LIFE INSURANCE COLLEGE PLAN



# POWER UP THEIR DREAMS

What if you could brighten the future for your loved ones? At Gerber Life Insurance Company, we make it easier with a smart and secure way to help pay for their college education with a life insurance policy.

With college costs continually rising, paying for higher education is getting even harder. The Gerber Life Insurance College Plan enables you to provide up to \$150,000 in financial support per policy and receive a guaranteed payout of the cash accumulation to help pay college expenses. Unlike college investment plans, Gerber Life Insurance College Plan isn't tied to the stock market, so growth is guaranteed and there are no limitations to how the funds can be used.<sup>1</sup> Plus, because it has the added benefit of life insurance, you can be assured that your plan will be achieved, as long as premiums are paid, in the event of your passing. Plan to be a hero today as you support their dreams for tomorrow.

***BEING A HERO IS EASY WITH GERBER LIFE.***



**Gerber Life  
Insurance**

<sup>1</sup> Policy will remain in force, premiums are guaranteed not to increase, and the death benefit and cash accumulation are guaranteed as long as payments are made on time and within the Grace Period specified in the policy. The cash accumulation at maturity as well as the death benefit will be reduced by any outstanding policy loans. The policy loan interest rate is 8%.

Not FDIC Insured | Not Bank Guaranteed | Not a Deposit or Other Bank Obligation

# POWER UP KNOWLEDGE WITH THE COLLEGE PLAN'S GUARANTEED GROWTH AND FLEXIBILITY<sup>2</sup>

The Gerber Life Insurance College Plan could be a budget-friendly alternative to traditional college savings plans. It is an individual endowment, which is a type of life insurance contract. Designed to give parents, grandparents and other family members a way to provide college support for their loved ones, it offers guaranteed growth, no stock market risk and a life insurance death benefit.<sup>2</sup> It's a financial resource that can be used for educational expenses or any other purpose, and it's a great way for you to invest in your loved ones' dreams.

## FEATURES & BENEFITS

- **You choose the duration and amount of the policy** — Individuals who are U.S. Citizens or permanent legal residents from 18 to 60 years old can apply for \$10,000 up to \$150,000 per policy with a cap of \$500,000 (in total for all policies) per insured. Maturities range from 10- to 20-year durations.
- **The plan offers the opportunity for a guaranteed payout for each college year** — One of the most unique features of the Gerber Life Insurance College Plan is that you can purchase either one policy or up to four additional policies<sup>3</sup> (one each consecutive year) not to exceed a total cumulative \$500,000 accumulation for all policies per insured. This layering method is an economical way to spread the cost over multiple years, and enables you to have a guaranteed payout<sup>2</sup> each year to align with due dates for paying college expenses.
- **Your premiums never increase** — Your premiums are guaranteed, which means you'll never pay a penny more as long as all payments are made on time.<sup>2</sup>
- **You choose how you want to pay** — Premiums can be paid annually, semi-annually, quarterly, monthly or bi-monthly.
- **You enjoy the flexibility to use the guaranteed payout any way you'd like** — Unlike a 529 Plan, there are no restrictions to how the money can be used, whether it's for college, trade school, to supplement retirement savings, or for any other savings need or goal.
- **Cash accumulation is guaranteed with no stock market risk** — The Gerber Life Insurance College Plan guarantees that when the policy matures, you will receive a check for the full accumulation amount.<sup>2</sup>
- **A death benefit is included** — Death benefit protection is a unique feature not typically found in college savings plans and bank CDs. If the policy owner passes away prematurely, the full guaranteed accumulation amount is paid as a death benefit.<sup>2</sup>

## APPLYING IS SIMPLE

- **Decisions are made in a timely manner** — Our streamlined application makes the process smooth and easy.
- **No medical exam is required** — In most cases, there are no medical exams; however, you will be required to answer a few simple questions about your health and medical history.<sup>4</sup>

<sup>2</sup>Policy will remain in force, premiums are guaranteed not to increase, and the death benefit and cash accumulation are guaranteed as long as payments are made on time and within the Grace Period specified in the policy. The cash accumulation at maturity as well as the death benefit will be reduced by any outstanding policy loans. The policy loan interest rate is 8%.

<sup>3</sup>The additional Policy Rider ICC09 IE-AP entitles an individual to purchase four additional policies for a total of up to five policies. Your premiums will stay the same for each new policy as long as you purchase one policy each consecutive year and the specifications stay the same as the originally issued policy.

<sup>4</sup>A medical exam may be necessary for applicants age 51 and older who apply for more than \$100,000 of coverage.

## GERBER LIFE INSURANCE COLLEGE PLAN VS SAVINGS AND COLLEGE FUNDING VEHICLES

Gerber Life Insurance College Plan is a unique alternative to traditional savings and college funding accounts. It provides guaranteed growth, no stock market risk and immediate completion of the funding goal if the policy owner passes away prematurely.<sup>5</sup> The table below shows how the Gerber Life Insurance College Plan compares to bank CDs and 529 Savings Plans. We think you'll agree that the Gerber Life Insurance College Plan has many features and benefits not found in savings and college funding vehicles.

	Gerber Life Insurance College Plan	Bank CD	529 Savings Plan
Guaranteed growth	✓ <sup>5</sup>	✓	
Guaranteed to reach policy accumulation goal	✓ <sup>5</sup>		
Death benefit provides immediate completion of funding goal	✓ <sup>5</sup>		
Can use accumulation for different savings needs without penalty	✓	✓	
No stock market risk	✓	✓	
Tax deductible			✓ <sup>6</sup>

## SAMPLE MONTHLY PREMIUM RATES

Gerber Life Insurance College Plan — Female Monthly Premiums*									
Duration	15 Years			18 Years			20 Years		
Benefit	\$10,000	\$25,000	\$50,000	\$10,000	\$25,000	\$50,000	\$10,000	\$25,000	\$50,000
Age of Insured									
18–25	\$45.92	\$114.79	\$229.59	\$33.33	\$83.33	\$166.67	\$30.00	\$75.00	\$150.00
30	\$46.33	\$115.83	\$231.67	\$35.42	\$88.54	\$177.08	\$31.33	\$78.33	\$156.67
35	\$46.70	\$116.75	\$233.50	\$35.92	\$89.79	\$179.58	\$31.90	\$79.75	\$159.50
40	\$47.25	\$118.13	\$236.25	\$36.67	\$91.67	\$183.33	\$32.75	\$81.88	\$163.75
45	\$47.72	\$119.29	\$238.59	\$37.33	\$93.33	\$186.67	\$33.55	\$83.88	\$167.75

<sup>5</sup>Policy will remain in force, premiums are guaranteed not to increase, and the death benefit and cash accumulation are guaranteed as long as payments are made on time and within the Grace Period specified in the policy. The cash accumulation at maturity as well as the death benefit will be reduced by any outstanding policy loans. The policy loan interest rate is 8%.

<sup>6</sup>Depends on state tax rules.

\*Monthly rates shown above are for healthy females and include an 8% discount for monthly ACH payments (preauthorized checking). Rates for males vary slightly. Other coverage amounts and durations are available.

## HOW TO BUY ADDITIONAL POLICIES TO MATCH COLLEGE TUITION PAYMENTS

The Gerber Life Insurance College Plan has been designed to financially assist students through all four or five years of their studies. It's an easy way to save for college with a life insurance policy that has no stock market risk and provides a guaranteed accumulation at the end of the term:

- After you purchase your initial policy, you have the option of buying additional policies. You can purchase one policy for each of the four or five years that college expenses will need to be paid and your premiums, for each new policy, will stay the same as the original policy.<sup>7</sup>
- Buy up to \$150,000 in each endowment policy, not to exceed \$500,000 for all policies per insured. If you prefer, you can also buy four smaller policies over four consecutive years to help manage costs and spread out the maturities over a four-year time frame.
- Match the payout of the policies to each year that college tuition is due.
- Enjoy the guarantees that your policies provide, including guaranteed premiums, death benefits and accumulation amounts.<sup>8</sup>

## AN EXAMPLE OF THE FOUR-YEAR PLAN

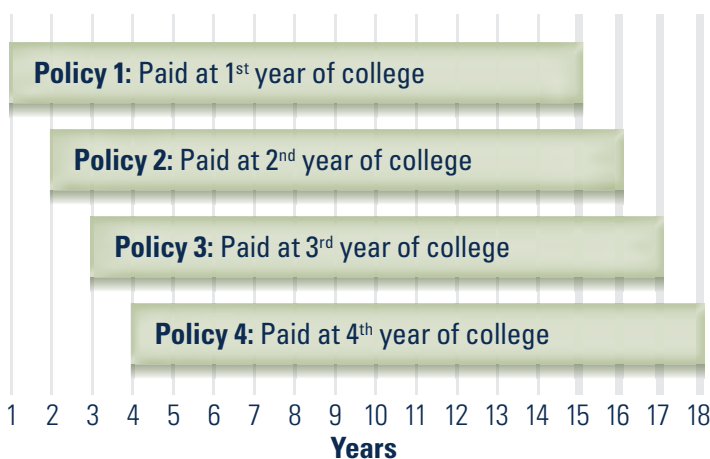
**Goal:** Mom and Dad would like to help their son pay for college. They would like guaranteed growth, flexibility in how the money is used (in case their son doesn't go to college), and to have the funds paid out each year their child is in college.

**Solution:** The four-year plan allows them to purchase policies for four consecutive years and set each maturity date to align with each year that college tuition and expenses are due. The premiums will be the same for each policy since they purchased one policy per year for four consecutive years and kept the specifications the same as the original policy: A 15-year maturity per policy and a \$25,000 payout at the end of each term.<sup>7</sup>

**Results:** When the first policy matures at the end of the 15-year term, their total annual premium starts to

### Policy Layering Example

Face Amount Per Policy: \$25,000 / Maturity: 15 Years Per Policy



### Policy Terms:

- Premium For Each Policy = **\$1,000/policy**
- Total Annual Premium:
  - Equals \$4,000<sup>7</sup> for 4 policies
  - Declines starting in year 16 after the first policy matures
  - Equals \$0 after 4<sup>th</sup> policy matures in year 18

<sup>7</sup> The additional Policy Rider ICC09 IE-AP entitles an individual to purchase four additional policies for a total of up to five policies. Your premiums will stay the same for each new policy as long as you purchase one policy each consecutive year and the specifications stay the same as the originally issued policy.

<sup>8</sup> Policy will remain in force, premiums are guaranteed not to increase, and the death benefit and cash accumulation are guaranteed as long as payments are made on time and within the Grace Period specified in the policy. The cash accumulation at maturity as well as the death benefit will be reduced by any outstanding policy loans. The policy loan interest rate is 8%.

decrease and they receive a guaranteed payout to help pay college expenses for their son's first year of college.<sup>8</sup> After this, the remaining policies mature each consecutive year so that money is available to pay for the remaining years of college.

### GERBER LIFE INSURANCE COLLEGE PLAN TAXATION

The College Plan will generate taxable income when the amount of growth in the accumulation, in any given year, is greater than the premiums paid. When this occurs, Gerber Life will send you the appropriate tax information. Once you apply, Gerber Life will send you a detailed statement showing how the cash accumulation grows and potential taxable income. Consultation with a tax advisor is recommended.

### YOU CAN DEPEND ON GERBER LIFE

For more than 50 years, Gerber Life has been providing budget-friendly life insurance so that children and adults can have greater financial protection. Founded in 1967 by the Gerber Products Company, we share a common heritage and values in caring for the millions of families who place their trust in us. Today, Gerber Life is a member of Western & Southern Financial Group, a worldwide industry leader in life insurance whose strength and stability fortify our \$61 billion of life insurance in force.<sup>9</sup> With Gerber Life, applying for a policy is easy and simple. You can count on us for insurance plans for the entire family that offer the reliability, flexibility and peace of mind you deserve.

<sup>9</sup> As of May 2021.

The Gerber Life Insurance College Plan is issued in all states. State requirements may vary somewhat. Please refer to the policy for terms, conditions, exclusions and limitations that may apply.

Benefit amounts are subject to Gerber Life insurance limits. A Buyer's Guide to Life Insurance and a Policy Summary are sent with all policies. You can get them without applying for insurance by writing to us. Payment of benefits under the endowment policy is the obligation of, and is guaranteed by, Gerber Life Insurance Company.

Guarantees are based on the claims-paying ability of Gerber Life. No medical exam is necessary in most cases. Coverage is dependent on answers to health questions, and a medical exam may be necessary for applicants age 51 and older who apply for more than \$100,000 of coverage. There is a \$150,000 maximum face amount per policy and a \$500,000 cumulative maximum face amount for all policies per each individual.

Policy Form ICC09-PIE and Policy Form Series PIE-09. In New York: Policy Form PIE-19-NY. Riders: ICC09 IE-AP and RIE-09-AP.

**If the insured dies by suicide within two years from the issue date (one year in ND), the only amount payable will be the premiums paid for the policy, less any debt against the policy.**

**Gerber Life will not accept insurance applications for coverage submitted under a Power of Attorney or Guardianship on the proposed insured, except from the permanent legal guardians of children.**

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