



## Individual Endowment Insurance

### A College Education Can Open the Door to a Better Life

Nothing is more essential to a child's future success than a college degree. But saving for a child's college education can be difficult, especially on a tight budget. Generally, the more time you have for reaching your savings goal, the less money you need to set aside each week, month or year. Waiting even one year can significantly increase the amount you need to save. But, even if you start late, saving something can make a big difference—and will make it much more likely that you will be able to help pay for all or some of your child's college education.

Think of college as an investment in your child's future. Students attending college generally earn more and are less likely to be unemployed than those without a college degree. The typical bachelor's degree recipient can expect to earn about 66% more during a 40-year working life than the typical high school graduate earns over the same period.<sup>1</sup>

Financial aid is available to cover **college costs**, but most financial aid is in the form of student loans which could leave your child with tens of thousands of dollars to be repaid, plus interest.

The Gerber Life College Plan not only gives you an easy and affordable way to save for child's college education, but provides the security and growth guarantees not found in other college savings plans—**with the added protection of adult life insurance.**

*(over, please)*

### College Costs

According to data from the College Board<sup>2</sup>:

- The average 2010-11 tuition and fees (including room and board) per year at 4-year public colleges and universities will be \$16,140 for in-state students and \$28,130 for out-of-state students. The average cost per year at 4-year private colleges and universities will be \$36,993.
- The anticipated costs of attending in-state public colleges and universities for four years beginning in 2028 is projected to be more than \$200,000, and nearly double that amount for private colleges and universities.



## No Surprises. No Worries. Guaranteed Results.

The Gerber Life College Plan is an **Individual Endowment Life Insurance** policy for adults ages 18 to 75<sup>3</sup> that provides guaranteed money for college. It is the type of policy that can give you peace of mind knowing that your child's future is secure. With today's very low interest rates and volatile investment returns, it is important to implement a secure college funding strategy that can **provide a guaranteed amount of money**. The Gerber Life College Plan can give you that peace of mind—and more. It is designed to help parents save a guaranteed amount of money for a child's college education expenses in a safe and secure way.

## Secure. Growth. Guaranteed.

Unlike traditional life insurance, which only pays a benefit upon the death of the insured person, the Gerber Life College Plan endowment policy pays a benefit after a specified number of years. You choose the premium that works best for you—as little as **\$1 per day**<sup>4</sup> for a \$10,000 benefit—and then receive a guaranteed payment when it's time for your child to enter college. You have choices for the maturity period and face amount. The length of the policy's maturity can be from 10 to 20 years and the face amount from \$10,000 to \$150,000.

At maturity the **money can be used for any purpose, not just college expenses**. And since the endowment provides adult life insurance protection, if you were to die before maturity the policy would immediately mature and pay its full face amount to your designated beneficiary.

### Secure.

Adult life insurance protection

### Growth.

Your money is guaranteed to grow—with no investment risk

### Guaranteed.

- Guaranteed payment of \$10,000 to \$150,000 that is paid to you at maturity, as long as premiums are paid
- Premiums that are guaranteed never to increase throughout the entire life of the policy
- A guaranteed death benefit that is to equal the face amount of the policy and will be paid to your designated beneficiary if you die before the maturity date

## What is endowment life insurance?

Unlike whole life, an endowment life insurance policy is designed to provide a living benefit as well as life insurance protection. Endowment life insurance is a method of accumulating funds for a specific purpose and protecting the savings against premature death. Many individuals use endowment life insurance to fund anticipated financial needs, such as college education or retirement. Endowment policies are gaining in popularity thanks to the safety and guarantees they provide.

## Build a College Nest Egg with an Amount that Fits Your Budget

The Gerber Life College Plan is a funding vehicle designed to provide guaranteed money for your child's college education. Your child is **guaranteed to receive the full amount of money at maturity**, as long as premiums are paid. And your premium is guaranteed to **stay the same throughout the life of your policy**. You can even borrow from the cash value, as long as premiums are paid, before your policy matures should you need an emergency source of money.<sup>5</sup>

## The College Plan's guarantees differentiate it from other college funding vehicles.

	Gerber Life College Plan	Bank Savings Account	529 Plan
Guaranteed Growth	✓		
No Stock Market Risk	✓	✓	
Life Insurance Benefit	✓		
Use Money For Any Purpose Without Penalty	✓	✓	
Tax-Deductible Contributions			✓

## No Matter What, Your Child's College Fund Is Guaranteed to Grow

As long as premiums are paid, your Gerber Life College Plan continues building **cash value**—giving you a benefit at maturity (in 10 to 20 years) that's guaranteed to be **greater** than all the premiums paid. And the Gerber Life College Plan has **three different ways for you to make premium payments**. You can either pay premiums every month to maturity, every month for 5 years, or make one single premium payment. It's your call. We have added 5-Pay and Single Pay premium payment methods to pass along even greater discounts to you, as shown below.



### Hypothetical Example:

#### 35-Year-Old Female; 18 Year Endowment; \$25,000 Benefit<sup>6</sup>

- Mary is 35 years old and would like to have \$25,000 to contribute toward her son’s college education in 18 years.
- Mary can either pay premiums every month for 18 years, every month for 5 years or make one single premium payment.
- Included in all three options are the guarantees and life insurance protection described above.

	Pay to Maturity	5-Pay	Single Pay
Annual Premium	\$1,077.50 (\$89.79/month)	\$3,104.35	\$14,991.25
Total Premium	\$19,395	\$15,521.25	\$14,991.25
Discount from \$25,000 Maturity Amount	22.4%	37.9%	40%

Thanks to the time value of money, the more money you pay at the beginning the larger the discount.

### Cash Value Growth and Taxable Income

Like a savings account, an individual endowment will generate some taxable income that you must report on your taxes each year. At maturity, your benefit will be paid to you tax free.

### Starting Now Can Help You Reap Big Rewards Later

The sooner you start saving for college, the less you need to put aside each month. Even five years could make a very big difference.

In addition, you can purchase up to **four additional policies (for a combined coverage up to \$300,000)**—within four years of the original policy’s effective date—at the **same premium rate** as the original policy. This flexibility allows you to align the maturities of your college “nest eggs” with the years your child is in college and spread the cost out to fit your budget.

Sample Female Monthly Premium Rate (Pay to Maturity Premium Payment Method)						
Age	Maturity (Years)	\$25,000		Age	Maturity( Years)	\$25,000
35	18	\$89.79		35	13	\$142.94

<sup>6</sup>For a healthy 35-year-old female with an 18-year policy who chooses to make an automatic (EFT) monthly premium payment.

### Life Insurance Protection Provides Added Peace of Mind

There’s no need to worry about what would happen to your child’s dreams for the future if something should happen to you. The Gerber Life College Plan’s adult life insurance coverage **guarantees a death benefit** should the unthinkable happen.<sup>7</sup>

### Your Benefits Are Backed by Gerber Life—Part of a Trusted Name for More Than 75 Years

There’s no need to worry about what would happen to your child’s dreams for the future if something should happen to you. The Gerber Life College Plan’s adult life insurance coverage guarantees a death benefit should the unthinkable happen.<sup>7</sup>

Gerber Life Insurance Company is a financially separate affiliate of the Gerber Products Company, and shares the name that has been synonymous with family caring for more than 75 years. You can have confidence in our name and in our coverage.

- For more than 40 years, Gerber Life Insurance Company has provided quality life insurance. It is our mission to be the Company parents trust to help them achieve financial security and protection for their families.
- As a financially separate affiliate of the Gerber Products Company, “The Baby Food People,” Gerber Life shares in a long-standing tradition of quality and trust dating back to 1928. Gerber Products and Gerber Life are financially separate subsidiaries of the Nestlé Corporation, whose basic purpose and mission is unchanged from the time of its origins in 1867, and whose business practices reflect the fundamental ideas of fairness, honesty and a concern for people.
- A.M. Best, the impartial reporting firm that rates insurance companies on financial stability, management skill and integrity, has awarded Gerber Life an “A” (Excellent) Rating for the 11th consecutive year.<sup>8</sup>



For more information or a quote  
Call me today at:

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## There's no obligation!

<sup>1</sup> Education Pays—The Benefits of Higher Education for Individuals & Society. College Board, October 2010.

<sup>2</sup> Trends in College Pricing 2010. College Board, 2010.

<sup>3</sup> Ages 18 to 60, inclusive, for those who choose the Pay to Maturity method; ages 18 to 75, inclusive, for those who choose Single Pay or the 5-Pay method (ages 18-70 for males under the 5-Pay method).

<sup>4</sup> We will provide you with costs and complete details of coverage.

<sup>5</sup> You will have to pay interest on any amount borrowed.

<sup>6</sup> For a \$25,000 Gerber Life College Plan with an 18-year maturity for a healthy 35-yearold female.

<sup>7</sup> The death benefit is guaranteed to equal the face amount of the policy, less any outstanding policy loans or interest, and will be paid to the designated beneficiary if the insured dies before the maturity date.

<sup>8</sup> Rated most recently in June 2010. This rating is the third highest award out of 13 possible categories. The rating refers to the overall financial status of the Company and is not a recommendation of the specific policy provisions, rates or practices of the Company.

This policy has exclusions, limitations and terms under which the policy may be continued in force or discontinued. We will provide you with costs and complete details of coverage. 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. As with any financial matters, consult with your financial consultant or tax advisor for advice concerning your particular situation.

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