

Unlocking potential

USING LIFE INSURANCE FOR COLLEGE AND EDUCATION COSTS



A life insurance policy can help ensure your family will have the money to continue their lifestyle if something were to happen to you. And a policy that has the potential to build up cash value offers the option to access any cash value it builds for anything you want, like education costs.

If your child ends up winning a great scholarship and you don't need to access the cash value, that money could be used to supplement your retirement income, fund other goals, or remain in the policy to potentially grow the death benefit.

How it works

- 1. Determine your needs and choose a policy.**
A financial professional can help you calculate your life insurance needs, including future education costs, and can help find and design a policy that balances death benefit and cash value growth that match your protection, budget, and goals.
- 2. Enjoy tax-advantaged growth and access.**
Policy values grow tax-deferred and can be accessed in tax-advantaged ways through withdrawals and loans.* It's important to note that accessing policy values will reduce the death benefit; your financial professional can help you plan for that.
- 3. Balance needs with flexibility.**
Cash value life insurance offers flexibility if your priorities change. You can enjoy flexible premiums and the ability to access cash values for any reason.



Did you know?

Life insurance policies and their cash values do not impact the FAFSA and your ability to get financial aid.

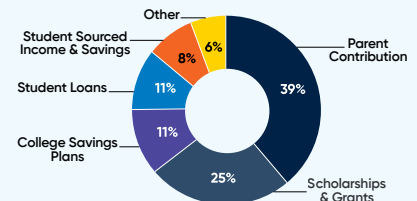
Do you know how you'll pay for college?

Being a parent means learning to balance many things—like today's expenses with tomorrow's goals. Since, unlike your love, finances are finite, determining how you'll pay education costs while time is on your side makes sense.

Parents today use a variety of sources but, with rising costs, you'll likely need more options. So, having a flexible financial strategy is key. Consider balancing a need to protect your family's financial future with the growth potential that life insurance can provide.

HOW AMERICA PAYS FOR COLLEGE

A breakdown of how students pay for one year of college & the college tuition funding sources used.



Source: Hanson, Melanie, "How Do People Pay for College?" EducationData.org, April 23, 2022

*Depending on the year you decide to access funds, you may need to use a loan instead of a withdrawal to avoid adverse tax consequences. Outstanding loans and withdrawals will reduce policy cash values and the death benefit and may have tax consequences.

INVESTMENT AND INSURANCE PRODUCTS ARE:

- NOT FDIC INSURED
- NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
- NOT A DEPOSIT OR OTHER OBLIGATION OF, OR GUARANTEED BY, ANY BANK OR ITS AFFILIATES



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Susie's story

Susie and her husband are busy parents, focused on their family's financial future and saving for their children's education. During their annual review with their financial professional, Ben, they discuss a cash value life insurance policy for Susie to help address those two needs.

Ben suggests a policy that offers an initial death benefit of over \$360,000 to cover the family and that can also build cash value. To demonstrate how the policy could be used to assist with college funding, Ben shows a scenario where Susie accesses \$96,000 in cash value to help pay those expenses.

| Year | Age | Premium | Death Benefit | Cash Value | Distribution (money for college) |
|---------------|-----|------------------|---------------|------------|----------------------------------|
| 1 | 34 | \$15,000 | \$378,232 | \$7,142 | |
| 10 | 43 | \$15,000 | \$546,241 | \$178,508 | |
| 22 | 44 | NA | \$560,118 | \$560,118 | \$48,000 |
| 23 | 56 | NA | \$549,770 | \$549,770 | \$48,000 |
| 31 | 64 | NA | \$949,316 | \$949,316 | |
| Total: | | \$300,000 | | | \$96,000 |

This hypothetical example is for illustrative purposes only. Actual results will vary.

Assumptions: Indexed Universal Life coverage, 34-year-old female, paying \$15,000 in premium for 20 years, death benefit option B later switched to A, using a cash value life insurance policy, 6.42% rate of return. If the rate of return is 0% or lower or if charges are higher, these values would be reduced.

Getting started



Start early.

College planning and life insurance are most effective and affordable when started early.



Work with a financial professional.

They can help you choose the right financial vehicles to use and plan for any tax implications.



Easily access policy values.

Simply call our service center. They will guide you on available cash value and the impact on the death benefit.



Talk with your financial professional today.

Discover how a life insurance policy can help you prepare for college costs and help protect your family's financial future.

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