



Gerber Life
Insurance

Your Life Insurance Guide for People Age 50+:

Why Protection Is Important for You and Your Loved Ones



Looking Ahead with More Security

Protecting the future isn't just for young families. It's for anyone with loved ones who financially depend on them. It's for people who want to help save their family members from the burden of paying off debts or covering final expenses. It's a chance to leave a legacy to someone and let them know they are loved.

Protecting the future doesn't stop once you're over 50. In fact, it's even more important to ensure it brings what you want it to bring for you and your loved ones.

This guide goes over the ins and outs of life insurance, including what it does, how it works and how you can be sure you have the right policy for your needs. It also offers information and tips on estate planning, so you can move forward with confidence and peace of mind.



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What Is Life Insurance?

Life insurance is a way to provide a financial death benefit to family members and loved ones once the insured passes away. You pay premiums to an insurance company, usually monthly, quarterly or annually. In exchange, a benefit will be paid out to your beneficiaries, providing the policy is active.

How the Death Benefit Can Be Used

Depending on the amount of coverage, the death benefit can be used for such things as:

Income Replacement — Ensures family members can maintain their lifestyle after losing a breadwinner's income

Debts — Helps loved ones pay off debt, including loans and credit cards

Medical Costs — Gives family members the means to help cover medical, hospital and nursing home costs

Final Expenses — Helps loved ones cover the burden of expenses, such as funeral, memorial service, and burial or cremation costs; this may also include medical expenses related to end-of-life care

Education — Supports family members with continuing education

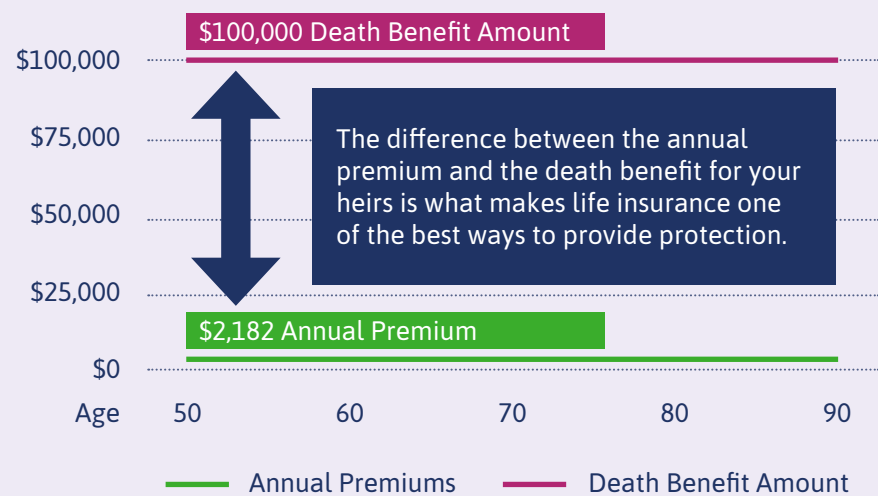
Inheritance — Provides monetary support to loved ones

Life Insurance Is More Affordable than Most People Think

Many people believe life insurance is too expensive. Here's a hypothetical example, using a Gerber Life Whole Life policy, of how the death benefit payout would be much higher than the annual premium paid for the policy.

A female who purchases the policy at age 50 would pay \$2,182 in premium annually, which would yield a \$100,000 death benefit to the policy's beneficiaries, regardless of when the insured passes away.

Hypothetical Example:
Annual Premium Paid vs Death Benefit Received



Parameters: Female; Gerber Life Whole Life Policy Issue Age is 50; Average life expectancy for a 50-year-old female is age 83 ([Life Expectancy Calculator — USA](#))

Note: Often the premiums paid are less than the death benefit amount received, depending on the age at policy issue and if the insured is paying standard annual premiums.

Benefits of Having Life Insurance

Life insurance provides a number of benefits, including:

- 1 Peace of mind** — Brings comfort knowing loved ones will be financially taken care of
- 2 Protection** — Provides protection when life-altering events, such as a pandemic, occur
- 3 Flexibility** — Purchasing a policy sooner provides more options, flexibility and the potential for lower annual premiums
- 4 Financial security** — Funds can be used to help pay a mortgage, daily living expenses, college tuition, dependent care costs or used for retirement income
- 5 Avoids probate** — Funds are distributed faster when needed, and are paid directly to the people you named as beneficiary(ies) on your policy
- 6 Preparedness** — Helps prepare for the unexpected, which means individuals need to buy sooner rather than later as health can decline with age

Here's something you may not know:

68% of people who own life insurance feel financially secure as compared to those who don't have life insurance.¹

¹ 2022 Insurance Barometer Study, LIMRA and Life Happens.

Who Should Consider Purchasing Life Insurance?

Families

- Helps maintain financial stability
- Helps pay off a mortgage and debts
- Supports dependent care and funds future education needs

Pre-Retirees and Empty Nesters

- Helps cover medical expenses
- Helps cover final expenses
- Helps maintain financial stability

Retirees

- Helps cover medical expenses
- Helps cover final expenses
- Leaves a legacy

Older females, underinsured or uninsured

- Helps maintain financial stability for dependents
- Helps pay off debts, including medical and final expenses
- Provides for adult children and their families

People who want to replace income

- Helps maintain financial stability for dependents
- Helps pay off debts
- Supports college education

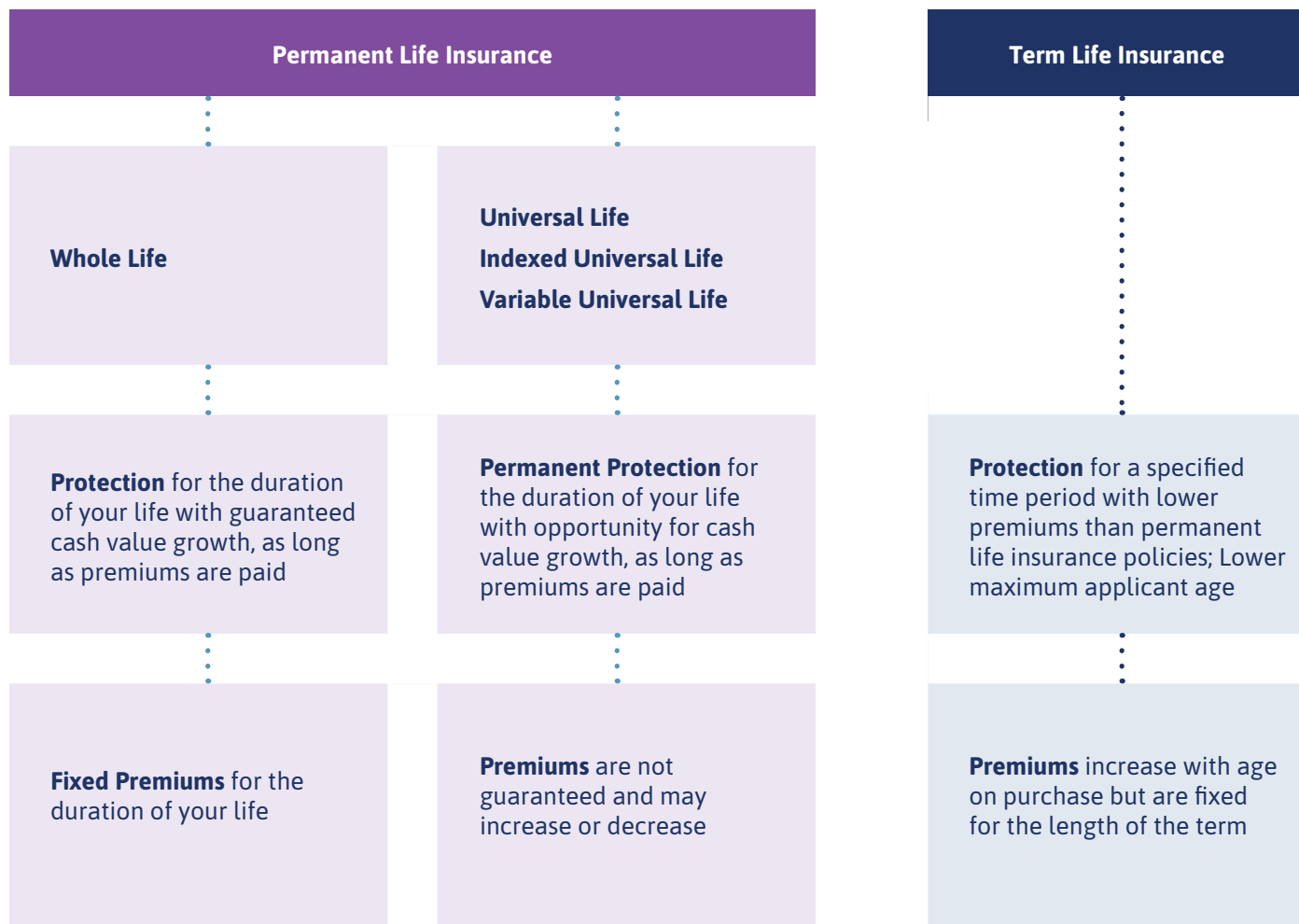
People with a mortgage

- Helps pay off a mortgage
- Helps allow a family to continue living in their home
- Allows dependents' lives to be less disrupted

Types of Life Insurance

What Are the Different Types of Life Insurance?

It's important to understand the difference between the types of life insurance, so you can be more informed about your options.



Here's something you may not realize:

Life insurance obtained through a job may end upon retirement.

Talk to your employer about your policy.

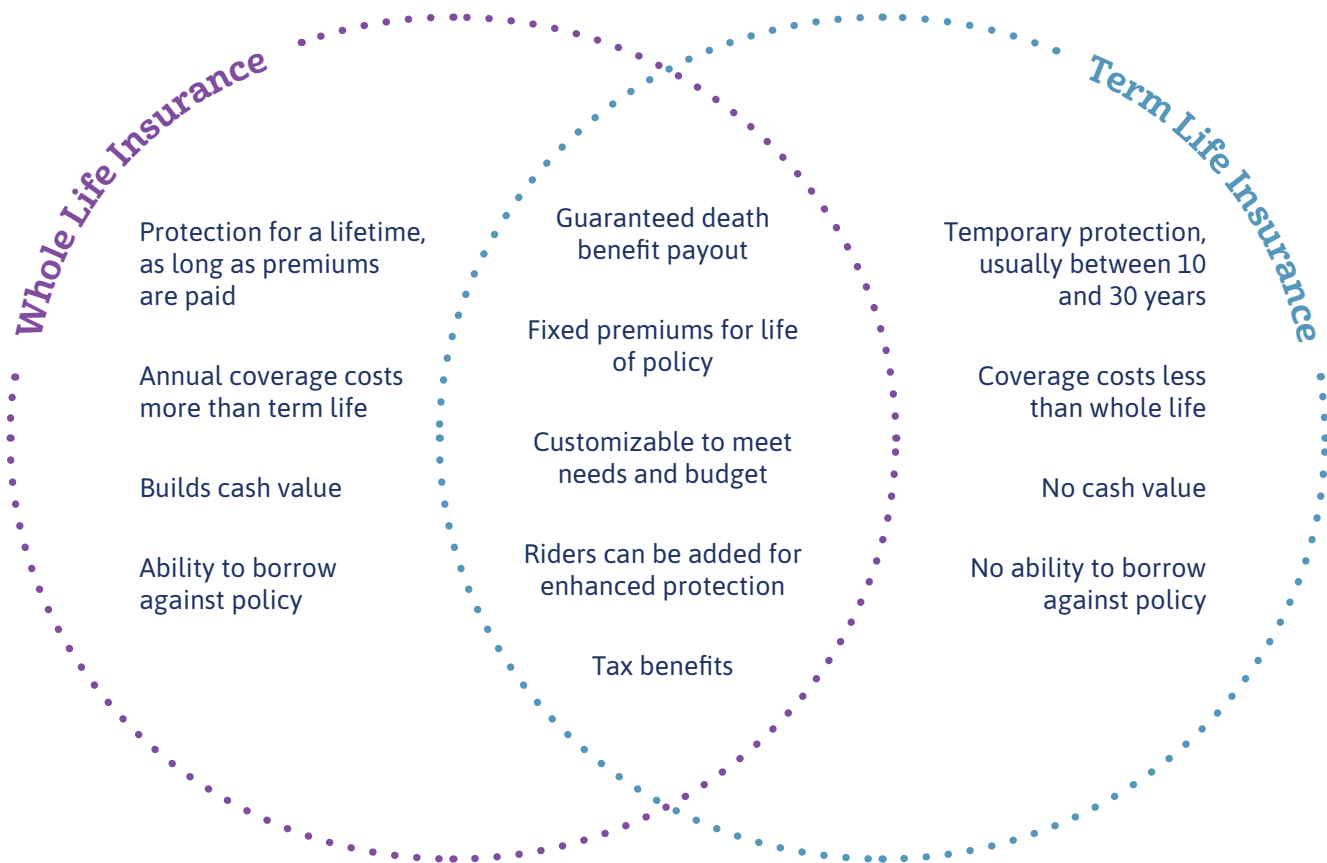
Types of Life Insurance Comparison

	Whole Life	Universal Life Indexed Universal Life Variable Universal Life	Term Life
Duration	Permanent	Permanent	Temporary
Coverage	Lifelong, as long as premiums are paid	Lifelong, as long as required premiums are paid	Set period of time, usually 10 to 30 years — potential option to renew or convert to permanent insurance
Risk	No risk, as guarantees are provided by insurance company ²	Some risk, as premiums are flexible, requiring the policyholder to ensure the correct premium amount is paid at the right time so that the policy doesn't lapse	Some risk, as the policyholder may outlive the policy, and the premiums for renewal or conversion will increase, or may not be available, since they are based on age
Death Benefit	Guaranteed and tax-free ²	Tax-free and can increase or decrease ²	Guaranteed and tax-free ²
Cash Value Growth	Guaranteed ²	Potential for growth but not guaranteed	No cash value
Fixed, Guaranteed Premiums	Yes, for life of policy as long as premiums are paid ²	No	Yes, for life of the term period, as long as premiums are paid ²
Premium Payments	Set payment schedule and amount	Premiums may change based on performance of expense and investment assumptions	Set payment schedule and amount
Underfunded Potential	Policy can never be underfunded	Policy can become underfunded and lapse	Policy cannot be underfunded
Performance Dependence	Not subject to interest rate or market fluctuations	UL/Indexed Universal Life: Premiums may increase or death benefit may decrease if original interest rate and/or investment performance are less than projected Variable Universal Life: Subject to market fluctuation in separate account investments	Not subject to interest rate or market fluctuations

² Whole life policies offer guaranteed and fixed premiums that do not change over the life of the policy as long as premiums are paid, as well as a guaranteed death benefit and cash value growth. Term policies offer a guaranteed death benefit and guaranteed premiums for a set period of time. Universal Life and Indexed/Variable Universal Life offer minimum guarantees, which may or may not occur depending on the policy charges or interest rates.

Choosing Between Whole Life and Term Life

Life insurance isn't one size fits all. Everyone has different needs and different reasons for buying it. While whole life and term life each offer a guaranteed payout, there are important differences between them, as you'll see below. When considering the best solution to meet your needs, it is recommended you speak to a financial professional.



Understanding Various Features of Life Insurance

1. Why consider a whole life policy?

Whole life is a form of permanent life insurance that provides protection from the time you purchase the policy until the time you pass away, as long as you pay the required premiums. Permanent life insurance has a cash value component. It provides protection for long-term needs, including to help cover final expenses or to leave a legacy to loved ones as part of an estate plan.

2. Why consider a term life policy?

Term insurance provides coverage for a specific time period (for example, 10, 20 or 30 years). There is no cash value. Most people who purchase a term policy want protection for a shorter period of time, such as covering short-term debt or having funds to help pay college tuition in case of premature death.

3. What is cash value and how can I access it?

Cash value is a separate savings component of a permanent life insurance policy that grows tax deferred. You can access the cash value by withdrawing or borrowing against it to pay premiums, supplement retirement income or for any other need. Accessing the cash value will reduce the death benefit amount.

4. What is a death benefit?

A life insurance death benefit is typically a tax-free amount of money that is paid to your beneficiaries if you pass away while your life insurance policy is active. If you want your life insurance to pay a benefit regardless of when you die, then you'll want a permanent life insurance policy, such as whole life insurance.

Why People 50+ Should Buy Life Insurance

Even though your needs and circumstances change as you get older, life insurance can be useful in your later years. Here's a breakdown of how it can be beneficial, whether you're just starting to plan for retirement or in the midst of it:

Age
50-60
Pre-Retirees and Empty Nesters

- Loss of employer-provided insurance
 - Mortgage debt payoff
- Cover college tuition bills for older children
- Protection for dependent older children, especially special needs children
- Premature death benefit protection
 - Income replacement
- Cover leftover debt, including medical expenses



Age
61-70
Young Retirees

- Loss of employer-provided insurance upon retirement
- Mortgage debt or retirement home payoff
- Protection for dependent spouse
- Leave a legacy/inheritance
- Final expenses and other leftover debt
- Access to cash value to supplement retirement needs
- Income replacement in certain instances



Age
71-80
Older Retirees

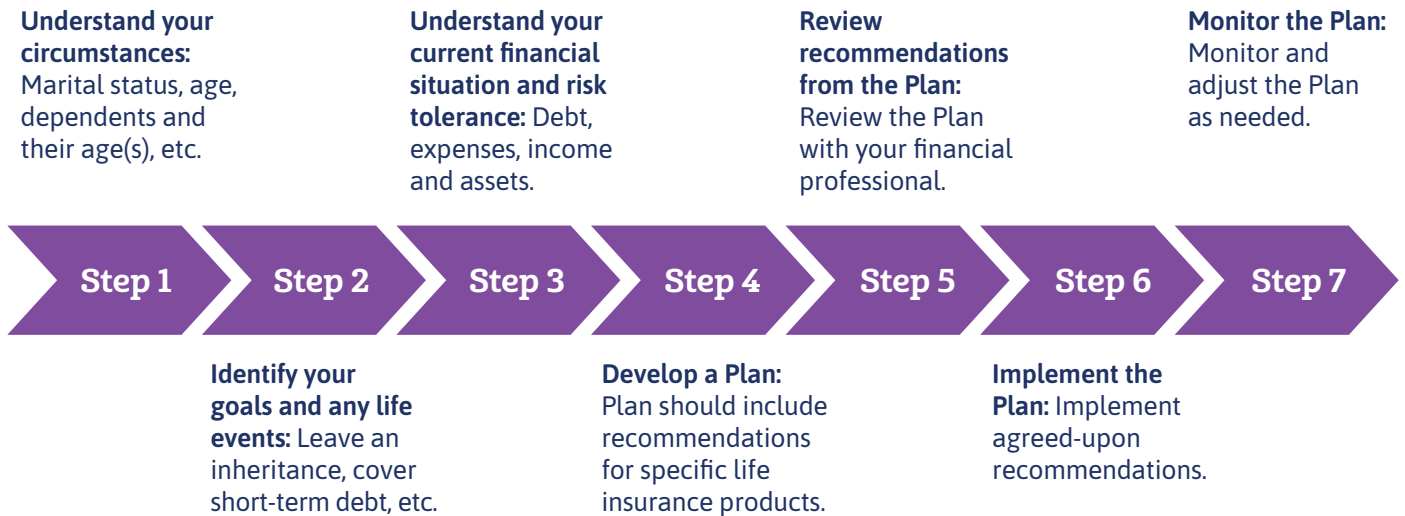
- Protection for dependent spouse
- Final expenses and other leftover debt
- Leave a legacy/inheritance/charitable giving
- Access to cash value to supplement retirement needs



How Much Life Insurance Should an Older Person Purchase?

We recommend you speak with a financial professional. The diagram below outlines the steps a financial professional can use to help assess your situation and determine the best solutions for your needs.

Financial Professional's Steps to Assessing Your Needs:



How Does the Process of Obtaining Life Insurance Work?



Beyond Life Insurance — Estate Planning

Life Insurance Shouldn't Be the Only Part of Your Estate Planning

Life insurance is an important part of an estate plan, but it shouldn't be the only part. While it can seem overwhelming, it is essential to ensure your wishes will be honored. Below are some documents that are generally included in estate plans.

- **Last Will and Testament** — Protects your spouse, children and assets by spelling out how your estate should be distributed
- **Living Will** — Determines events for end-of-life planning
- **Healthcare Proxy/Medical Power of Attorney** — Designates who you wish to make healthcare decisions on your behalf
- **Financial Power of Attorney** — Delegates legal authority to another person to act on your behalf in financial matters
- **Revocable Living Trusts** — Guarantees the plan for your estate will be executed per your wishes and, unlike a will, it does not go through probate
- **Beneficiary Designations** — Assets that pass to your beneficiary(ies) through title and not your will, which should be reviewed periodically and confirmed to be up-to-date as per your wishes



Checklist to Get Your Estate Planning Started

Here are some things to consider as you get your affairs in order. For more detailed guidance, you may want to consult Gerber Life's Legacy and Last Wishes Guide.

Make a will

Consider a trust

Appoint executor/trustee

Appoint power of attorney

Appoint healthcare proxy

Name/review beneficiaries for will

Establish funeral arrangements

Create a key document list

Review/update other beneficiary designations (IRA, 401(k), pension account, life insurance policy, etc.)

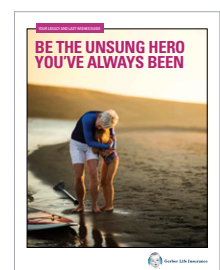
Name a guardian for any child under 18

Consider/review life insurance

Here's something that may interest you:

Gerber Life's Legacy and Last Wishes Guide

is a comprehensive guide that can help you organize important financial information and document your last wishes.



Find Out What **Gerber Life** Can Do for You

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.

Gerber Life Whole Life is available in all states. Terms, conditions, exclusions and limitations can vary by state. Please refer to the policy for terms, conditions, exclusions and limitations that may apply. Policy Form ICC19-GLWL and Policy Form Series GLWL-19. In New York: Policy Form HWLP-19-NY. In Florida: Policy Form GLWL-20-FL. ADB Rider ICC11-ADB-WL and Rider Series ADB-11-WL. In California: ADB-11-WL-CA. In New York: ADB-11-WL-NY. Waiver of Premium Rider ICC11-WPB and Rider Series WPB-11. Coverage and benefit amounts are subject to Gerber Life Insurance limits. Policies are sent with a 30-day free look period.

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