



Comparing “Start Smart College Plan” and “Grow-Up®”



Do I choose the Grow-Up® Plan or the Start Smart College Plan?

Actually you may want both. The Grow-Up Plan and Start Smart each provide different benefits. Depending on your goal you may choose Grow-Up or Start Smart, or both.

If your goal is **primarily to provide life insurance protection for your child**, then the **Grow-Up Plan** will work for you. The Grow-Up Plan provides lasting financial protection in the form of a guaranteed death benefit and an accessible cash value that builds over time. Compared with the Start Smart Plan, Grow-Up has a lower premium and offers more life insurance but has a smaller cash value.

If your goal is **primarily to save for your child’s college education**, then the **Start Smart College Plan** is for you. It is an endowment insurance policy that provides a guaranteed amount of money after a certain number of years. Compared with Grow-Up, Start Smart has a higher premium but provides substantially larger cash value, which accumulates much more quickly than with Grow-Up. Additionally, the policy provides adult life insurance protection. If you were to die, your child as beneficiary would still receive the amount you intended for their college education.

	Current Grow-Up® Plan – Whole Life Insurance	Start Smart College Plan – Endowment
Goal	Protection	Accumulation
Available Face Amounts	\$10,000 – \$50,000	\$10,000 – \$150,000
Insured	Child	Parent or Grandparent
Beneficiary	Parent or Grandparent	Child at Maturity
Cash Value (in 18 yrs)	Increases slowly. For \$15K Policy = approx. \$4k	Increases rapidly. For \$10K Policy = \$10K
Taxable Income	None	Yes
Return of Premium	21 years	Maturity-Midpoint

Benefits of the Grow-Up Plan:

- For many families, Gerber Life’s Grow-Up Plan offers a wonderful way to start their children on the path toward financial independence. Because the policy is bought when your child is very young, the premiums are typically very inexpensive and don’t increase throughout the duration of the policy. In addition, the policy’s life insurance doubles when the insured child reaches age 18, without any increase in premium. For example, a \$25,000 Grow-Up Plan doubles to \$50,000 at age 18.
- The Grow-Up Plan will help prepare your child to take care of his or her own family someday. It’s a good way to pass on your family values of financial responsibility and a commitment to creating a better future for your children.

(over, please)

**Benefits of the Start Smart College Plan:**

- You select the amount of money you want and decide when you want it. Gerber Life will tell you how much you need to contribute to the policy each year to reach your goal. For example, if you want to have \$25,000 in 18 years, you would need to contribute \$83.33 per month to the Start Smart College Plan. (This example assumes the insured is a female in good health between the ages of 18 and 25.)
- In addition, the endowment provides life insurance. If the insured person were to die before maturity, the policy would immediately mature and pay its full face amount to the beneficiary. For example, if Jane Doe were to buy a \$25,000 Start Smart College Plan that matures in 18 years when she was 25 years old, her monthly premium would be \$83.33. If she were to die after 10 years, Gerber Life would immediately pay the full amount of the policy to her beneficiary.

The Group-Up and Start Smart plans have different tax treatments:

- The cash value growth in the Grow-Up Plan will not generate any taxable income.
- The cash value growth in the Start Smart College Plan will generate taxable income after a few years.

See the FAQ "Tax Questions" for more information about taxes.



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