

Planning for College? Consider This Option



If you want to help your children, grandchildren, or other family members complete their dreams and educational goals, talk to your life insurance advisor about a permanent life insurance policy that is funded to grow cash value.

- 1** The cash values in a permanent life insurance policy are **not treated as an asset on the FAFSA** application.

The **Free Application for Federal Student Aid** counts your assets for purposes of determining the need for financial assistance. Cash value in a life insurance policy is not one of the assets counted. This could improve your student's award.

- 2** The cash accumulation values in a life insurance policy **grow tax-deferred** and might **NEVER** be subject to income taxation with proper planning.

Properly scheduled withdrawals and loans from a permanent life insurance policy are not subject to income tax under current law.* (The premiums you pay for a life insurance policy cannot exceed the IRS guidelines without losing the tax-favored status of the policy. In other words, the government won't allow you to put cash in a policy just to use it as a tax-favored investment fund. Also, any funds you withdraw that exceed the total premiums paid, may be subject to income tax.)

- 3** You can **use the cash value for ANY need**, unlike the 529 plan that must be used for college-related expenses.

That's right . . . any need—or even a **want**. And you can use it for anyone, not just the college student. It's there for your needs as well.

- 4** Cash value life insurance offers **asset protection from creditors** in most states.

The amount of protection varies from state to state. Your life insurance advisor can explain your state's limits.

- 5** The full funding need can be available if you should die before another savings plan is complete.

This is important because living long enough to save the full amount needed to pay for a college education is a luxury we all may not have. How much money does the student need to complete college? What is the amount you are committed to pay? This amount can be the total death benefit. Then the plan is totally funded in the event of the insured's premature death, even if it is the day you sign the application. No other investment fund, asset, etc., can offer that.

By the way, the insured can be you, your spouse, or other immediate family members or a combination of family members. You can still own the policies and control the cash value.

Contact your local Security Mutual life insurance advisor today to coordinate your financial plans and help achieve your goals and objectives.



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*Tax-free retirement income assumes, among other things, that withdrawals do not exceed tax basis, the policy remains in force until death, and the policy is not at policy issue, and does not become post issue, a modified endowment contract (MEC). Distributions from a MEC may be subject to income tax and possible penalties.

Loans from the policy will reduce the death benefit and cash surrender value and may cause the policy to lapse. Lapse of a policy with a loan may have tax consequences.

Life insurance policies contain exclusions, limitations and terms for keeping them in force. Your agent can provide costs and details. Medical exam required. All life insurance applications are subject to underwriting approval and receipt of payment.

Guarantees are based on the claims-paying ability of Security Mutual Life Insurance Company of New York.

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