



HOW TO:

Fund College with Permanent Life Insurance

The importance of education today is undeniable. Are you prepared for what it costs?

Consider this:

A college graduate earns nearly double the lifetime income of someone with a high school diploma.¹ But it takes planning to fund the cost of an education considering that college costs are growing more than twice the rate of inflation.

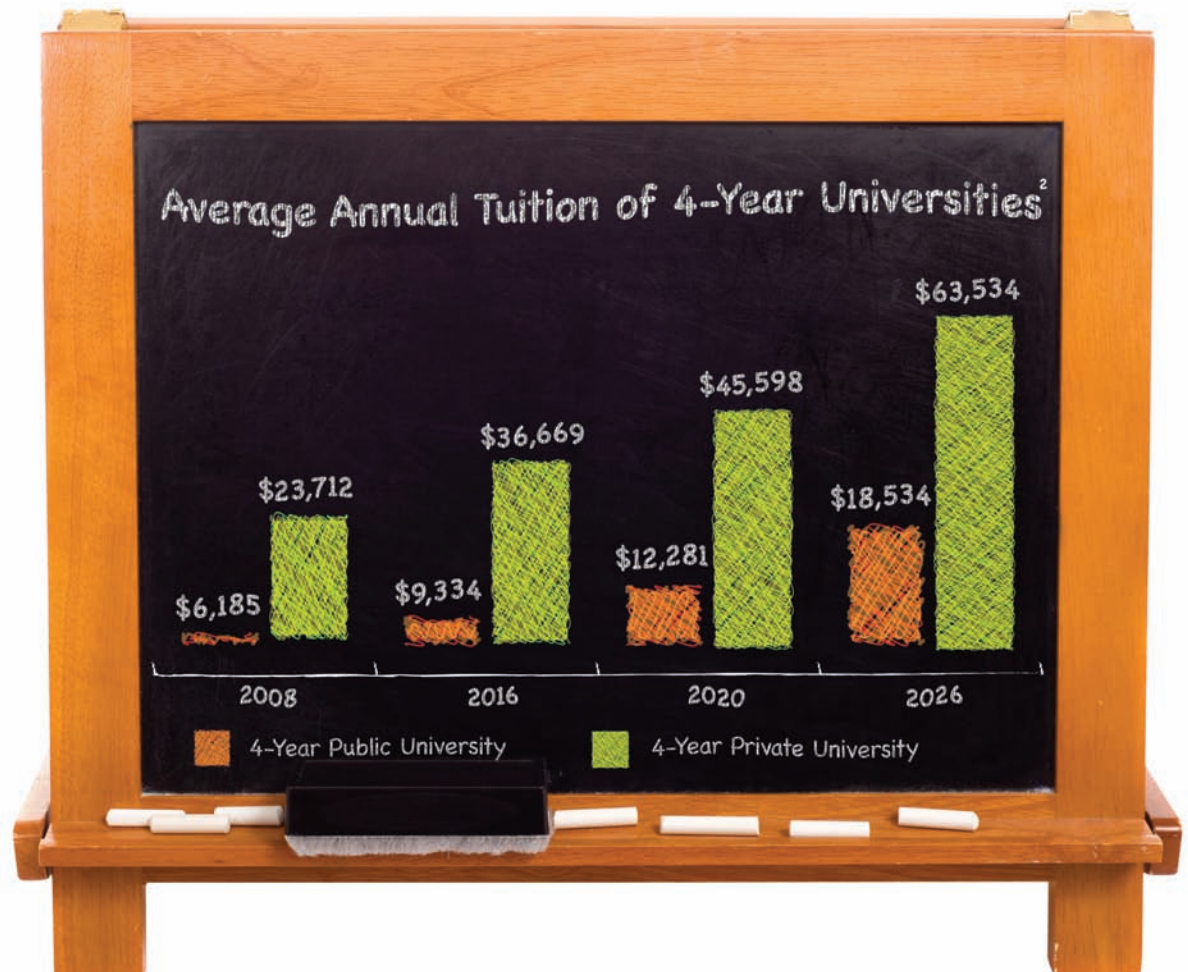
While tuition will be the largest expense, don't forget about these additional costs that may be incurred:

Pre-College Costs

- Standardized test fees
- Test prep courses and materials
- Campus visits
- Moving costs

Additional College Costs

- Room & Board
- Books & Supplies
- Transportation



¹ U.S. Department of Commerce, Economics and Statistics Administration, U.S. Census Bureau, July 2002.

² "College Board Trends in College Pricing 2007" —Projection of costs for a private university assumes a 5.6% tuition increase. Projection of costs for a public university assumes a 7.1% tuition increase. Prices reported for 2007-2008 academic year.

Your planning should prepare for **THREE CONTINGENCIES** that might prevent you from achieving your college funding goal.

Permanent life Insurance is an excellent tool that can be used to help pay for a college education.

If you **live, will you accumulate enough money to be able to afford it?**

- Permanent life insurance accumulates cash value tax deferred
- The cash value can be accessed tax-free to help pay for college, or any other important need¹
- Additional premiums paid into your policy provide additional guaranteed cash value²

If you **die before you accumulate the money, how will your family be able to save enough without you?**

- Life insurance provides a guaranteed death benefit³ that can help provide the funds for your child to go to or continue college
- This can give your family peace of mind knowing your child's future doesn't have to change if something happens to you
- You can make additional premiums into your life insurance policy, giving you guaranteed additional death benefit protection²

If you become **disabled, how will you maintain your insurance policy and continue to accumulate cash value?**

- A popular, optional rider waives the premiums on your policy if you become disabled, thus keeping your policy in force and allowing your cash value to continue to accumulate⁴
- If you are making scheduled additional payments⁵ into your policy, these additional payments will also continue to be made by New York Life, allowing your death benefit and cash value to grow even more

Don't Forget!

- Cash value in the policy is exempt from federal financial aid calculations
- Cash value can be accessed tax-free for education expenses, or any other important need

¹ The cash value in a life insurance policy is accessed through policy loans, which accrue interest at the current rate, and cash withdrawals. Loans and withdrawals will decrease the death benefit and cash value. Policy loans and withdrawals may be taxable if the policy is a modified endowment contract and may carry a 10% tax penalty if policyowner is not yet age 59 ½. Certain withdrawals from a policy that is not a modified endowment contract that are made within the first fifteen years after the policy is issued may be taxable.

² The Option to Purchase Paid-Up Additions (OPP) rider allows the policyowner to pay additional premiums into the policy to purchase paid-up additions, and is included with all regularly underwritten New York Life whole life products. The policyowner is not required to make an OPP payment every year to keep the rider in force, however, the rider will automatically terminate if no payments are made by the second policy anniversary or for any three consecutive anniversaries. Minimum OPP payments are \$10 for billable and check-o-matic OPP, and \$100 for lump sum payments.

³ Guarantees dependent on the claims paying ability of the issuing insurer.

⁴ Available for an additional charge; waives premium if qualified disability; limits apply.

⁵ Systematic (billable) OPP payments may qualify for the Disability Waiver of Premium benefit (if WP is included on the policy); scheduled OPP payments (through billable or Check-O-Matic arrangement) cannot be more than the standard OPP limits.

