

**GERBER LIFE DUET™**



## **BE A HERO 2X OVER**

### **COMBINED WHOLE LIFE WITH CHRONIC CARE INSURANCE**

What if you had the power to protect your loved ones while also protecting your own future? At Gerber Life Insurance Company, we make it easier with life insurance coverage that has the added benefit of chronic care protection.

Statistics show that half the people turning age 65 today will require some form of long-term care support during their lives!<sup>1</sup> Gerber Life Duet is a combined whole life insurance policy with chronic care protection designed to help meet the added costs incurred by people living longer and needing some type of skilled care. Buyers from 25 to 70 years old can get up to \$1,000,000 in life insurance coverage that can also act as a resource to help pay expenses associated with a chronic illness. Your premiums never go up and, as long as premiums are paid, your policy is yours for your entire life!<sup>2</sup>

With Gerber Life Duet, you get two types of protection that work together and two ways to be the hero your family depends on.

***BEING A HERO IS EASY WITH GERBER LIFE.***



**Gerber Life  
Insurance**

<sup>1</sup> ASPE, Revised Feb. 2016, <https://aspe.hhs.gov/basic-report/long-term-services-and-supports-older-americans-risks-and-financing-research-brief>.

<sup>2</sup> Policy will remain in force and premiums are guaranteed not to increase as long as payments are made on time and within the Grace Period specified in the policy.

Not FDIC Insured | Not Bank Guaranteed | Not a Deposit or Other Bank Obligation

# MAKE A HEROIC MOVE — WITH GERBER LIFE DUET, COMBINED WHOLE LIFE INSURANCE FEATURING CHRONIC CARE BENEFITS

Be prepared with Gerber Life Duet. Designed to give life insurance buyers two types of protection that work together, Gerber Life Duet provides death benefit protection and a way to help pay expenses associated with a chronic illness — all in one combined whole life policy. This ideal pairing can help you invest in peace of mind for you and your family.

## FEATURES & BENEFITS

- **Coverage is permanent and you choose the amount** — U.S. Citizens and permanent legal residents can apply for \$100,000 (age 50 and above, minimum must be \$101,000) up to \$1,000,000 in life insurance death benefit protection, and, if approved, coverage lasts a lifetime as long as premiums are paid<sup>2</sup>
- **Your premiums never increase** — Once you select the amount you need, your relatively low premiums are guaranteed to never increase for the life of the policy, as long as premiums are paid<sup>2</sup>
- **An Accelerated Death Benefit (ADB) Rider for terminal illness is included at no additional cost** — In the unfortunate event of a terminal diagnosis with a life expectancy of 12 months or less, the ADB Rider allows you to request a one-time advance of up to 50% of the death benefit to help offset costs associated with your illness or for any other reason<sup>3</sup>
- **Funds can be used to cover chronic care expenses** — The maximum benefit amount that can be accelerated for chronic care is the lesser of 90% of the face amount or \$300,000. A stream of income is guaranteed for chronic care expenses at a rate of 4% of the original face amount per month. You can also choose to request funds as a lump sum. The total payment will be reduced by any outstanding loans.
- **There are no hidden fees** — You will know right away what the chronic care benefit and costs will be. You pay a small amount continually for chronic care benefits rather than paying a lot of additional charges at the end when it's time to make a claim to receive the benefit.

## APPLYING IS SIMPLE

**Decisions are made quickly** — Our streamlined application makes the process smooth and easy.

**Underwriting and medical exam requirements depend on age and coverage amounts** — The table below provides a snapshot of the underwriting requirements for Gerber Life Duet.

### Gerber Life Duet Underwriting Requirements

#### Product Parameters:

Age Range: 25–70 Years Old; Face Amount Range: \$100,000–\$1,000,000 (Age 50 and above, minimum = \$101,000)

Criteria	No Medical Exam	Simplified Underwriting <sup>4</sup>	Underwriting Decisions Within a Minute <sup>5</sup>	Full Underwriting <sup>4</sup>	MIB, MVR & RX Databases
Applicants: Under age 51 Face Amount: Up to \$300,000	✓	✓	✓		✓
Applicants: Age 51 and Over Face Amount: Over \$100,000				✓	✓
Applicants: All (Age 25 to 70) Face Amount: Over \$300,000				✓	✓

<sup>3</sup> The ADB Rider is subject to a minimum of \$10,000 and is included with the issued policy. There is no additional premium cost. The Rider benefits allow for the insured, if diagnosed with a terminal illness, to request a portion of the death benefit while still living.

<sup>4</sup> **Simplified Underwriting:** No medical exam required. Applicant will need to answer only a few health questions.  
**Full Underwriting:** Brief medical exam required.

<sup>5</sup> Gerber Life will search databases for prescription history, motor vehicle records and medical information in order to provide an almost instant decision (within a minute) for most of the digital and telephone applications submitted.

## HOW CHRONIC CARE WORKS

1. **Qualify:** You can accelerate 90% of your whole life death benefit (subject to a maximum of \$300,000) if you are unable to perform at least two of the six Activities of Daily Living (ADLs) for at least 90 consecutive days. ADLs are defined as:

- Eating
- Bathing
- Dressing
- Toileting
- Transferring
- Contenance

You can also qualify if you are diagnosed as having a severe cognitive impairment.

2. **Certify:** A licensed healthcare practitioner must certify that you meet the requirement for ADLs or severe cognitive impairment in order to receive chronic care benefits.

3. **Access:** Upon approval of your claim for chronic care benefits, you can choose to access the funds as a lump sum or as periodic monthly payments.<sup>6</sup> If you choose monthly payments, you will receive a stream of income at a rate of 4% of the original face amount per month until the benefit has been fully paid. The total payment will be reduced by any outstanding loans. Monthly benefit payments are generally income tax free but consultation with a tax professional is recommended.

4. **Expense:** Benefits can be used for any purpose. The funds received are not tied to expenses incurred.

5. **Assess:** You will continue to receive periodic chronic care benefit payments as long as policy premiums are paid,<sup>7</sup> you have not depleted your benefits and you meet the ADL requirement.

## 3 DIFFERENT WAYS GERBER LIFE DUET CAN BE USED

1	2	3
Death Benefit Only	Partial Chronic Care/ Partial Death Benefit	Full Chronic Care Benefit
No chronic care needs arise during your lifetime.	You experience a qualifying condition, you accelerate your death benefit and use a small percentage of it to cover expenses before recovery.	You experience a long-term illness, you accelerate your death benefit and use the full amount of funds available for chronic care (90%).
Your full death benefit is passed on to your beneficiaries.	Your death benefit is reduced by a small percentage and passes on to your beneficiaries upon death.	10% of the death benefit passes on to your beneficiaries at the time of your death.

<sup>6</sup> Receipt of chronic care benefits will reduce the remaining life insurance death benefit for the future.

<sup>7</sup> Once you receive chronic care benefits, premiums for the underlying whole life policy continue to be due and must be paid, but the premiums for the chronic care rider portion stop.

## HYPOTHETICAL SCENARIO — GERBER LIFE vs COMPETITION

Mary owns a policy with a face amount of \$300,000. She becomes chronically ill and requests an accelerated benefit. If she has Gerber Life Duet, Whole Life with Chronic Care Insurance, she can accelerate 90% of the policy's face amount (\$270,000). The maximum benefit amount is capped at \$300,000. If instead, she has a competitor's chronic care accelerated death benefit plan, the benefit is capped at \$250,000 and she can only receive 80% of that amount (or \$200,000), after fees paid. With Gerber Life Duet, there is no actuarial discount on the death benefit acceleration amount, no hidden fees and no surprises. Mary will know the benefits and the costs as soon as she purchases a policy rather than being surprised later when filing a chronic care benefits claim with a competitor's policy.

	Gerber Life Duet	Competitor's Chronic Care Accelerated Death Benefit Plan
<b>Mary's Policy Amount</b>	\$300,000	\$300,000
<b>Benefit Allowed</b>	\$270,000	\$250,000
<b>Death Benefit Reduction/Discount at Claim</b>	\$0 <sup>8</sup>	\$50,000 <sup>9</sup>
<b>Benefit Received</b>	\$270,000 <sup>10</sup> across 25 monthly payments <sup>11</sup>	\$200,000 as a lump sum
<b>Remaining Policy Face Amount</b>	\$30,000	\$50,000

Source: Mason Finance, January 3, 2019, <https://www.masonfinance.com/blog/accelerated-death-benefit/>; Gerber Life Duet, Actuarial, January 2019.

## WHY GERBER LIFE DUET MAY BE RIGHT FOR YOU

- You'll have the advantage of death benefit protection and living benefits for chronic care in one policy
- It can help to address your concerns about potential costs associated with a major health event/diagnosis, including:
  - Losing income
  - Depleting savings
  - Not having enough financial resources or insurance to pay out-of-pocket medical/non-medical expenses
  - Covering costs for in-home care or skilled nursing care at a facility
  - Burdening your loved ones with having to help cover out-of-pocket expenses
- It can help to bring you peace of mind if you are concerned about becoming chronically ill or have a history of longevity and chronic illness in your family

<sup>8</sup> Premiums for the chronic care benefit are charged during the life of the policy until a chronic care benefit claim has been approved. Gerber Life reserves the right to charge an administrative fee of up to \$250 against the first claim payment.

<sup>9</sup> Fees and charges at claim include, but are not limited to, administrative expenses and an actuarial discount on the death benefit acceleration amount.

<sup>10</sup> Lump sum option is also available for the \$270,000 accelerated benefit.

<sup>11</sup> The number of months could be more or less depending on the policy face amount chosen, the IRS daily limit of \$370 per day for 2019 as per IRC Section 7702B(d)(4) and the existence of any policy loans at the time of acceleration of benefits.

## PUT THE POWER OF GERBER LIFE BEHIND YOU

Since 1967, Gerber Life has been providing life insurance to families, helping them achieve financial security and insurance protection. You can depend on us to put you and your family first. And you can count on a strong and stable company with an "A" (Excellent) rating from A.M. Best.<sup>12</sup> We look forward to helping you and yours. To learn more, please contact your insurance agent.

<sup>12</sup> In January 2019, A.M. Best, the impartial reporting firm that rates insurance companies on financial stability, management skill and integrity, has awarded Gerber Life an "A" (Excellent) Rating. This rating is the third highest awarded out of 13 possible categories. The rating refers only to the overall financial status of the Company and is not a recommendation of the specific policy provisions, rates or practices of the Company.

**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 Duet is available for sale in all states except Delaware, New York, North Dakota, South Dakota, Florida and California. Terms, conditions, exclusions and limitations can vary by state. Please refer to the policy for terms, conditions, exclusions and limitations that may apply. 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.

Policy Form ICC13-HWLP. ADB Rider ICC11-ADB-WL. Chronic Care Rider ICC19-CHADB. Coverage and benefits are subject to Gerber Life Insurance limits.

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