

Juvenile Universal Life Insurance

Building a strong
foundation for your
child is as easy as ABC.

Help establish your child's financial foundation with the ABCs of life insurance.

Juvenile Universal Life Insurance

You can't predict your child's future, but you can help to protect it. Colonial Life & Accident Insurance Company's Juvenile Universal Life Insurance is an easy way to help establish a financial foundation for your child's future.

- Provides an important life insurance foundation.
- Builds cash value.
- Ensures dependent children have life insurance coverage later if future health or other factors make obtaining life insurance coverage difficult or impossible.

No matter what the future brings, your child will have the flexibility of a universal life policy to help prepare for different life stages. In addition to having a policy that can remain in force, your child can take advantage of additional coverage options during adulthood.

Affordability

- Rates for children are generally lower than for adults.
- Rates are guaranteed not to increase because they get older.

Life insurance typically becomes more expensive as we get older. When you purchase a Colonial Life Universal Life Insurance policy for your child, you purchase coverage at the low rates available for children, which allows for extra cash value to be added to the policy without a large increase in premium in the future.

1 in 3 insured adults have only group life insurance obtained at work. Adults with only group coverage carry the lowest amounts of life insurance.

Facts about Life,
LIMRA International, 2007

Benefits for Life's Stages

- Can provide life insurance protection throughout their life, even when they are grown and have children of their own.
- Can remain in force regardless of changes in health or occupation, as long as sufficient premiums are paid when due.
- Includes a Guaranteed Purchase Option (see details under Additional Key Features section) that allows coverage to be added at certain ages without providing proof of good health.
- Can create a financial foundation upon which your child can build future economic plans.

We never know if health problems may occur that could prevent a child from qualifying for life insurance coverage, even if the child is in perfect health now. Once your child's Colonial Life Universal Life Insurance policy is issued, it can remain in force to age 100 regardless of health conditions. Even better, your child can increase this coverage as an adult.

Cash Accumulation

- Provides the opportunity to build more cash value on a tax-deferred basis when purchased at a younger age.
- The cash value earns a current credited interest rate guaranteed never to drop below 4 percent.

As your children grow, so does the cash value in their policies. If ever needed, the policy allows for loans and/or withdrawals to be taken against the cash value. Keep in mind, however, that loans and withdrawals can reduce the cash value and death benefit and may even cause the policy to terminate.

Life insurance surpassed all other **SOURCES** of financial assets or income that Americans expect to use to help pay bills and to maintain their lifestyle if a primary wage earner dies.

Facts about Life, LIMRA International, 2006



Additional Key Features

Flexibility.

As children grow, their needs naturally change. This policy can change, too. Policyowners can change their premium payment amounts and their death benefit amounts, subject to IRS and underwriting guidelines. For example, a child who grows up and becomes a parent may wish to increase the death benefit to provide more protection for his or her family.

Guaranteed Purchase Option.

This policy provides three options for purchasing additional coverage without providing proof of good health. If your child is between ages 0 and 17 when you purchase the policy, the **Guaranteed Purchase Option** automatically included with the policy allows three coverage increases for your child at ages 18, 21 and 24 – regardless of health, occupation or any other factors – when it may be needed for new responsibilities. Total coverage of up to \$100,000 or the initial death benefit amount of the child's policy, whichever is less, is available.

Your dependent children between the ages of 18 and 24, if full-time students, can apply for the same flexible adult policy that you can.

Death Benefit Options.

Colonial Life's Universal Life Insurance plan offers two death benefit options.

Option A establishes a basic program of life insurance protection that your child can carry into adulthood. This option offers a level death benefit. Cash values also build at current credited interest rates.

Option B features a death benefit that increases as the policy's cash value increases. With this option, you're providing your child with not only a valuable life insurance plan but also one that can build over time to meet changing needs. For example, making additional premium payments can increase the death benefit amount of your child's policy to provide even greater protection in the future.

Accelerated Death Benefit.

This benefit allows you to be advanced up to 75 percent of the death benefit, not to exceed \$150,000, upon diagnosis of a terminal illness of the insured. (State variations exist for this benefit. Please refer to your policy for details.)

Individually Owned.

When your children are old enough, they can assume full ownership of their policies. They can carry this coverage with them wherever they go in life.

It is important to remember that, as with any universal life policy, your policy's projected cash value may change over time due to fluctuations in interest rates, schedule changes in the cost of insurance, non-payment of premiums or certain policy changes. We encourage you to maintain consistent premium payments and repay any outstanding loans in a timely fashion to help avoid an early termination of coverage under your policy.

To provide you with a valuable record of your policy activity, Colonial Life mails you a universal life annual report each year showing what you have paid, how much cash value you have, plus the status of any loans, interest credited, administrative charges and projected termination dates. Be sure to review the universal life annual report carefully.

Your Juvenile Universal Life Benefits Worksheet

Name _____ Age _____

Initial Death Benefit \$ _____ Option A Option B

Premium: Weekly Monthly \$ _____

	In 10 years	In 20 years	At Age 65
Cash Value Based on Guaranteed Rate of 4%	\$ _____	\$ _____	\$ _____
Death Benefit Based on Guaranteed Rate of 4%	\$ _____	\$ _____	\$ _____

This worksheet assumes that illustrated interest and cost of insurance rates remain unchanged. Current interest rates may be changed by the company on a monthly basis. Current cost of insurance rates is lower than or equal to the maximum cost of insurance rates for your current age. We cannot change your rates due to a deterioration of your health. Any rate change must be made on everyone your age in your state. This brochure is applicable to policy form ICC08-UL1000J, UL1000J and applicable state versions.

Exclusions and Limitations

If the insured commits suicide within two years (one year in Missouri and North Dakota) from the coverage effective date or the date of reinstatement (not applicable in Louisiana), whether he is sane or insane, we will not pay the death benefit. We will terminate this policy and return the premiums paid minus any loans, loan interest and withdrawals to you. We will not pay any increases in death benefits if the insured commits suicide, whether he is sane or insane, within two years (one year in Missouri and North Dakota) from the coverage effective date of the increase. Our only obligation will be to refund the premiums paid for the increase in the event of suicide. You will receive a policy summary or illustration (whichever is applicable in your state) when your policy is issued. This policy has exclusions, reductions of benefits and terms under which the policy may be continued in force or discontinued. For costs and complete details of the coverage, call or write your insurance agent or the company.

Learn
more about
Colonial Life at
coloniallife.com



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Colonial Life products are underwritten by Colonial Life & Accident Insurance Company, for which Colonial Life is the marketing brand.

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