

A Gift From The Heart

Congratulations! The child in your life is now a young adult. You've carried out many responsibilities over the years, laying a sound foundation for this young individual and now your job is done... or is it?

Fiscal responsibility is one of those important "life lessons" good parents impart. It starts with saving a portion of allowance for something special – a new bike; new jeans; a week at summer camp. It's hard to believe that the same child is now graduating from college; or launching a career; or getting married! The idea is the same, but the objectives have changed.

What can you put in place for this young adult to foster good financial strategies for the years and challenges ahead? Have you considered life insurance?

“But I Was Hoping For the Red GTX”

It's great to give a gift that someone has been dreaming of, especially after he or she has worked so hard, accomplished so much – and made you so proud. Why would young adults need life insurance anyway?

Giving a gift of life insurance to a young adult will provide them with an invaluable key to many opportunities in the future.¹ By helping create the foundations of an estate, you'll have the peace of mind that comes from knowing that your young adult is prepared for the responsibilities of life with basic planning already in place should disaster strike.

Through several available riders, Guardian's whole life policies may pay benefits if the insured becomes disabled or terminally or chronically ill. Beyond the essential guarantees of the policy, whole life insurance values accumulate and compound creating a firm financial platform.

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Loan values might help in an emergency or help start a business some day. Add the flexibility of riders and other options that adapt the policy as lifestyles and income change, and you've provided one of the most enduring financial vehicles ever created – one that grows more valuable each year.

There is always a slim but very real chance that someone may become uninsurable at a startlingly young age, or that a family may face financial crises and unexpected obligations as a result of a sudden death or disability,² or possibly with the arrival of a child born with special needs. Your gift of life insurance will:

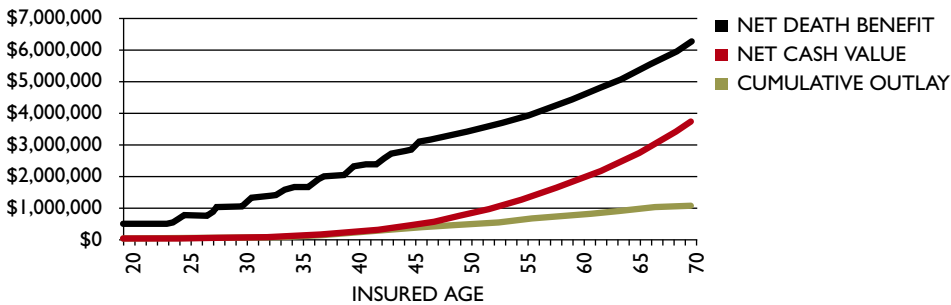
- Anticipate family obligations that may outlive you;
- Lock in future insurability of a loved one;
- Establish a value system of patient, systematic planning for the long-term.

Leveraging the Power of Life Insurance

For pennies on the dollar, the value of the whole life insurance will continue to grow over time – it will never decrease.³ And you can compound the potential value of your gift in a number of ways. For example, at a modest additional cost, Guardian's Enhanced Guaranteed Insurability Option Rider (EGIO) on a Whole Life policy *guarantees* that the insured can increase coverage on up to 8 specific dates – *without having to prove good health in the future.*

The first chart below shows a hypothetical example⁴ of how your gift to your grad can increase over a lifetime. Here, a \$3,500 annual premium purchases a policy with a face amount of \$500,000. The premium includes the cost of Guardian's Enhanced Guaranteed Insurability Option rider (EGIO), and by exercising the options to purchase additional insurance at all 8 designated dates, you can help lay a foundation for systematic purchases leading, at age 70, to more than \$6 million of life insurance benefits and accessible cash values of nearly \$4 million, based on Guardian's 2007 dividend scale.⁵

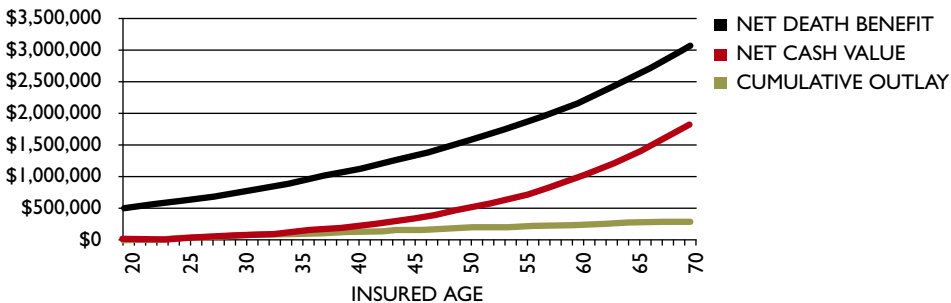
WITH FULL PREMIUM PAYMENT AND EXERCISE OF EGIO



Turbo-Charging Life Insurance

Here's a second example⁴ assuming the policyholder increased the outlay to \$6,000 per year by including Guardian's Enhanced Paid-Up Additions (EPUA) rider (but not including EGIO). Why would someone want to pay more into a life insurance policy? By scheduling an extra \$2,500 a year, cash value compounds at an accelerated rate, leading to higher dividends and escalating life insurance benefits. In this example, values build to a death benefit of more than \$3 million by age 70, or cash values reaching nearly \$2 million.

WITH EPUA CONTRIBUTIONS



In the event of the insured's total disability before age 60, *the entire premium would be waived by Guardian as long as the insured was disabled* because the policy included the Waiver of Premium option.² Potentially, this could mean decades of coverage and accumulations at no out-of-pocket cost to the policyowner. What other financial tool works in this way for someone who is too sick or hurt to work?

Better Mileage Than the Best Automobile

There are many important benefits to starting a financial strategy while still young, and your thoughtfulness today will make a big difference down the road. Invite your Financial Representative out for coffee, and find out how you can put your gift in place for now – and for generations to come.

¹ Ownership arrangements are flexible and can be changed after issue. You may choose to own the policy, pay premiums, and later transfer ownership to your child, while you continue to pay premiums. Or, you may choose to purchase the insurance and pay premiums while the child is the designated policyowner. Transfers and premium payments may trigger state or federal gift taxes. Guardian, its subsidiaries, agents or employees do not give tax or legal advice.

² Available for an extra cost, Waiver of Premium will pay premiums for life following 6 months of total and continuous disability. When Waiver of Premium is coupled with the Enhanced Guaranteed Insurability Option, premiums for new policies acquired through an EGIO exercise may be waived if the insured is totally disabled at the time of exercise.

³ Policy benefits are reduced by any outstanding loans or withdrawals and loan interest. Policy loans also affect dividends.

⁴ Examples shown are based on a hypothetical policy not available for sale, using Guardian's Whole Life Paid-Up at Age 99, averaging male and female values for issue age 20. The annual premium illustrated is \$3,500 per year including Waiver of Premium and the Enhanced Guaranteed Insurability Option. The second example assumes annual contributions of \$2,500 for the Enhanced Paid-Up Additions option in addition to the annual premium. A full illustration, showing both guaranteed and non-guaranteed values, must be provided by a Guardian representative to individuals applying for any Guardian whole life insurance policy. The examples show cash values and death benefits based on future dividends, which are subject to change.

⁵ Dividends are not guaranteed and may be declared annually by the Board of Directors.



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