



Government Personnel Mutual Life Insurance Company
P.O. Box 659567
San Antonio, TX 78265-9567
www.gpmlife.com • 1-800-938-4765

©2019 Government Personnel Mutual Life Insurance Company - all rights reserved

Policy form series #ICC19 73M UL2019, and state variations. Decreasing Additional Insurance Rider is a rider, Form ICC19 60H AIR19, issued with UniMark UL policy, which is a flexible premium, adjustable, universal life insurance policy issued by Government Personnel Mutual Life Insurance Company (GPM Life). Product features and availability may vary by state. Consult policy for benefits, riders, limitations, and exclusions. Subject to underwriting. In Montana, unisex rates apply. Not available in all states.

Neither GPM Life Nor its representatives offer legal or tax advice. Please consult with your legal or tax advisor regarding your individual situation before making any tax related decisions.

Government Personnel Mutual Life Insurance Company



PENSION MAX
PROTECTING YOUR SPOUSE
Survivor Benefits • Pension Maximization



Pensions offer a guaranteed retirement income payment for the life of the retiring employee.

If the employee is married at the time of retirement, a choice is usually available to provide a survivor benefit if the retiree dies before the spouse. These benefits can range from 50% to 100% of the pension payment. In order to fund the survivor benefit, the employee's payments are reduced.

If you were to die first, would your spouse have enough income?

Do you want to provide a survivor benefit, without reducing the income that is paid during your lifetime?

Pension Maximization is a concept that allows you to take your full pension payment, with no reduction. The survivor benefit is then provided through the benefits of a life insurance policy. The life insurance policy is designed with a death benefit that can be used to provide the desired level monthly income payments, and you should pay less money over time than you would funding the survivor benefit within the pension plan.

EXAMPLE

John's full pension payment is \$3,000 per month. If he wished to provide a 50% survivor benefit (\$1,500 each month) for his wife Mary, his pension payment will be reduced to \$2,700 per month. So the reduction to his pension payment or "cost" of providing the benefit is \$300, or 10%. If John's pension has a Cost of Living Adjustment (COLA), the "cost" to provide the benefit will also increase, and the "costs" over time can be expensive.

SOLUTIONS

Pension Max solves two problems:

1. If the Survivor Spouse Benefit is selected within the Federal Employees' Retirement System (FERS) pension, the only choice is the monthly income. With our life insurance policy, your spouse could 1) take the death benefit and turn it into a guaranteed income, or 2) receive the death benefit in a single lump sum payment, then decide on an investment or income plan that fits their need. These choices are not available with the pension plan.
2. If your spouse dies before you, all costs (the reduced pension benefit) paid for the survivor benefit are not recoverable. With our life insurance policy, you could 1) continue the policy and change the beneficiary, 2) continue the policy and receive some of the cash value, if any, or 3) surrender the policy and receive all of the cash value, if any. These choices are also not available with the pension plan.

Talk to a GPM Life insurance professional today and design a product that fits your unique needs.