GRO and the Do-Over

Wouldn't it be great to have a do-over? To be able to spend money but still have that money? To be able to have your cake and eat it too? In general the old adage is true, and you can't do that. But thanks to our new GRO rider, a couple in retirement might be able to travel and spend money more flexibly, yet replenish their retirement funds down the road.

Here's an example: let's say you have a couple, both aged 65, and in good health. Odds are that with today's longevity, at least one of them will live past 90. They may be reluctant to travel, to provide for children or grandchildren, or do some of the activities they planned on doing in retirement, all because they are worried about running out of money in retirement.

But let's say they both purchase GUL life insurance policies prior to retirement. If one of them passes away, the death benefit will provide a replenishment of retirement income for the survivor. But what if they both live 20 years? At that point they could surrender one of the policies, and use the funds to pay the premiums on the other one, or they could use the refund to travel, do things for grandchildren—the reasons they retired in the first place. Of course, once any policy is surrendered the death benefit for that policy is no longer available, so your clients should consider that carefully before surrendering under the GRO rider.

They would have another option—keep the policies in place and re-create the formerly available "first to die" coverage. Either way, the GRO rider gives them a chance to have fun in retirement but still provide for their later retired years.