



Paid Up at Age 90

MBA Paid Up at Age 90 is a whole life insurance plan that is offered to NALC members, their spouses, children, grandchildren and great-grandchildren. Any member of a carrier's family may have an individual policy.

In addition, this plan allocates a portion of your premiums to build cash value that earns tax-deferred interest. This is unlike a term insurance policy that does not have a cash value. The NALC member has access to a cash amount that has been building up from the premiums paid. In emergencies or other times of need, the owner of the policy can borrow against it. If the owner of the policy should decide to cancel the policy and give up the death benefit, he/she can receive the cash value all at once. This would be minus any loans against the policy.

As with all the MBA plans, the member has the option to specify how premium payments will be made. Premiums may be paid monthly or annually, or the MBA will deduct them automatically from your paycheck bi-weekly. We encourage all members to pay their premiums through payroll deduction. This ensures that the members' premiums are paid on time and that their coverage does not lapse due to non-payments of premiums.

Premium payments for the policy remain the same over the time the policy remains active until the insured reaches age 90. The face amount of coverage also remains constant throughout the policy's active status. The policy pays a death benefit equal to the amount minus any outstanding loans.

There are many questions that need to be answered prior to buying life insurance. Some of the most important are:

- How much do you need?
- How long will you need life insurance?
- What amount can you afford to pay for the insurance?
- What kinds of plans are available to meet your insurance need?
- Are your existing life insurance policies providing adequate coverage?

These questions should be answered prior to purchasing life insurance. Other questions a member should consider are:

- Do premiums change from year to year?
- Do benefits vary from year to year?
- Does the policy build a cash value?
- Are the premiums/benefits guaranteed?

Life insurance should be purchased if the member plans to continue it. It can be very costly to surrender the policy during the first few years that it has been in force. Review the policy language on your policy carefully to look for exclusions that may reduce or eliminate benefits. Life insurance policies should be reviewed every few years to keep up with changes in your lifestyle and income.

Another important reminder is to keep the insurance company informed of your current address. This can help ensure that premium coupon books will be sent to the proper address for members who pay monthly. If a member doesn't keep the MBA informed, they could risk missing premium payments and therefore their policy might lapse.

The owner of each insurance policy should designate a beneficiary. This will help avoid complications when a death benefit of the policy is paid. If no beneficiary is designated, the policy could pay benefits in accordance with the application language or policy language. Periodically, review your beneficiary designation. You can modify it at any time to reflect changes in your life.

Convention update

The June *Postal Record* published the MBA training as a breakfast. Please note that the MBA will be holding a workshop on Tuesday, July 10, at 7:30 a.m. Unlike previous conventions, this presentation will be a "hands on" workshop instead of the breakfast presentation of the past. We hope that the small-group approach will allow more interaction among the participants and enhance the learning experience.

For more information, please call the MBA toll-free at 800-424-5184 Tuesdays and Thursdays, 8 a.m. to 3:30 p.m. or call 202-638-4318, Monday through Friday, 8 a.m. to 3:30 p.m. Eastern Time. ☒