



MBA Universal Life Plan offers flexibility

The MBA's Universal Life Plan is a universal life insurance policy that covers the insured for life. This plan offers some unique benefits to the policy owner. Individual coverage from \$10,000 up to \$100,000 is available to all NALC members, their spouses, children (including step-), grandchildren (including step-) and great-grandchildren (including step-) between the ages of 0 to 70.

Some of the unique benefits of having this policy are:

- Face-value flexibility
- Flexible premium payment options
- Building of cash value
- Cash surrender value
- Loan provision
- Flexible loan repayment
- Reinstatement provision
- Five-year guaranteed coverage provision
- Life insurance
- Settlement options

The provision for **face-value flexibility** allows the policy owner to increase or decrease the amount of insurance coverage. Increases must be in the amount of at least \$5,000 and decreases can never be less than \$10,000. **Premiums** are based on the proposed insured's age and the amount of life insurance coverage. Premiums for the MBA Universal Life Plan are flexible. The policy owner can choose the amount and frequency of payments on an annual, semi-annual or monthly basis or through payroll deduction.

Cash value accumulates in the policy. A portion of your premiums is set aside to create a cash reserve fund, along with the interest accumulated. The cash value growth is tax-deferred. It can be accessed in the policy's cash value account through withdrawals or policy loans.

After the first policy year, partial withdrawals can be made or the policy owner may request to **cash surrender** the policy. Cash surrendering cancels the policy in its entirety. Partial cash withdrawals decrease the insured face value of death coverage. The policy offers a **loan provision**, which stipulates that the available amount borrowed cannot exceed the cash surrender value of the pol-

icy. There are **flexible loan repayment** options with no time limit to repay loans while the insured lives. You may pay all or part of a policy loan at any time while the insured is alive. In the event of the insured's death, if a loan has not been repaid in full, the outstanding loan principal and unpaid interest will be deducted from the policy's death benefit face amount. Interest is payable on the policy's anniversary date. At that time, the borrower has 60 days to pay the interest without accruing additional interest charged to the loan and principal.

This plan has a 61-day **reinstatement** provision, which allows the policy owner to reinstate the policy by paying owed premiums. Premiums must be paid by the end of the grace period or the policy will terminate except as provided in the Five-Year Guaranteed Coverage policy provision. If the insured dies during the grace period, monthly deductions and monthly cost of insurance amounts will be deducted from the death benefit face amount proceeds.

The **Five-Year Guaranteed Coverage** provision is another benefit offered with this plan. MBA guarantees that the policy will stay in force provided the sum of the premiums is paid to date, less any indebtedness and less any withdrawals and partial surrender charges, equal to or exceeding the accumulated five-year guaranteed coverage monthly premium. If the face amount of the policy is increased or decreased, the five-year guaranteed coverage monthly premium will be adjusted accordingly.

Beneficiary designation **settlement options** are provided to the policy owner with this plan. These options are installments for a fixed period, installments of fixed amounts or an annuity with period certain. The installments for a fixed period will pay the beneficiary a monthly or annual benefit with 2 percent interest annually for a fixed period of time. The installment option will pay the beneficiary equal installments of fixed amounts every one, three, six or 12 months. The annuity option allows the beneficiary to receive a monthly income for a period of 10 or 20 years. If the beneficiary dies during the settlement option period, the remaining benefit will be paid to the beneficiary's estate administrator or executors.

For more information on MBA's Universal Life Plan, contact your local MBA representative or the MBA Headquarters office. 