



MBA 10-Year Renewable and Convertible Term Life

The United States Letter Carriers Mutual Benefit Association (MBA) is proud to announce an insurance plan for NALC members, MBA 10-Year Renewable and Convertible Term Life insurance.

The MBA 10-Year Renewable and Convertible Term Life is a term life insurance plan that covers the life of one insured. In the event of the death of the insured, the MBA will pay the face value (the amount of life insurance, also known as the death benefit) to the policy's designated beneficiary. The NALC member, when applying for an MBA 10-Year Renewable and Convertible Term Life insurance policy, may choose to cover his/her own life or the lives of his/her spouse, children, grandchildren or even great-grandchildren. The MBA will insure any one life up to an amount of \$100,000. A policy may be issued to an insured between the ages of 17 and 79.

The premiums for an MBA 10-Year Renewable and Convertible Term Life policy are based on the proposed insured's age and the amount of life insurance for which they are applying. Premiums will remain the same for a 10-year period. Premiums may be paid directly to the MBA office on an annual or monthly basis or they may be paid by biweekly payroll deduction. Retired NALC members may pay premiums directly to the MBA office on an annual or a monthly basis.

The premiums for the MBA 10-Year Renewable and Convertible Term Life policy are very reasonably priced. An NALC member who is currently age 25 can purchase \$100,000 for as little as \$6.50 per pay period. The same amount of life insurance coverage may be purchased by an NALC member who is age 38 for \$9.50 per pay period.

After the initial 10-year period, the policy owner has the option of renewing the policy for another 10-year period (at a premium rate for the insured's current age) or converting the policy to a whole life insurance policy. This conversion is allowed with no evidence of insurability. The policy is renewable until the policy anniversary date after

the insured's 80th birthday. It is convertible to a whole life plan of insurance until the policy anniversary after the insured's 65th birthday.

Each year, the NALC Board of Trustees determines whether the MBA 10-Year Renewable and Convertible Term Life plan will share in the divisible surplus accruing from participating policies. If there is a divisible surplus, it is called a dividend and is credited to the MBA 10-Year Renewable and Convertible Term Life policies on the policy anniversary date. The policy owner has the following dividend options: a) left on deposit at interest, b) paid in cash, or c) used to pay premiums on the policy.

The MBA 10-Year Renewable and Convertible Term Life policies provide for the benefits to be paid to a beneficiary. It is important that the policy owner review the beneficiary designation periodically to make sure that their beneficiaries are accurate. More than one beneficiary may be named on a policy, and specific allocations may be made. The MBA allows the policy owner to change the beneficiary of a policy at any time prior to the insured's death. The policy owner must supply the MBA with the beneficiary's name, address, Social Security number and relationship to the insured.

The MBA 10-Year Renewable and Convertible Term Life policy is an excellent way to provide a high amount of insurance coverage for a small amount of money. It allows an NALC member to provide for his/her family in the event of unforeseen circumstances.

Please see the insert in this *Postal Record* for detailed information and an application for the MBA 10-Year Renewable and Convertible Term Life Insurance policy.

Special notice: The Mutual Benefit Association is now licensed to offer our life insurance products and maturity income products (Traditional IRA, Roth IRA and Non-Qualified Deferred Annuity) in Florida. If you would like more information, please contact the MBA office or visit the MBA Department at nalc.org. 