

# One fewer bill to pay during retirement



**Myra  
Warren**

**W**ouldn't it be nice to know that when you face your retirement years, you will have one fewer bill to pay each month? The Mutual Benefit Association (MBA) is proud to offer to our NALC membership the Paid Up at Age 65 MBA Whole Life Insurance policy.

This is a life insurance policy 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 known as the death benefit) to the policy's designated beneficiary. This plan of insurance is available to the NALC member, spouse, children, step-children, grandchildren, step-grandchildren, great-grandchildren and step-great-grandchildren. The Mutual Benefit Association will insure any one

life up to the amount of \$100,000. A policy may be issued to an insured from the age of 0 through 55.

The best part about this policy is that the premiums remain the same for the premium paying period and are fully paid up on the policy anniversary date after the insured turns age 65. At that time, no further premiums are ever due on the policy. The valuable life insurance protection remains in force for the insured's entire lifetime. This policy is especially suited to letter carriers who want to pay a reasonable amount of premiums but don't want an additional bill to pay long after they retire.

The Paid Up at Age 65 MBA Whole Life Insurance policy has affordable premium rates. An NALC member who would like to purchase \$50,000 of life insurance for each member of their family would pay only the following biweekly premium payments:

- NALC member (age 28) \$18.50
- Spouse (age 26) \$17.00
- Child (age 5) \$8.00
- Child (age 2) \$7.50

Premiums may be paid to the MBA through biweekly payroll deduction or directly to the MBA office on an annual or monthly (12 times per year) basis.

**Paid Up at Age 65 MBA Whole Life Insurance policy is a** whole life insurance plan that builds a cash value. Of each premium payment, a portion of the payment is allotted to build the cash value of the policy. Over time, the cash value grows. The policy owner may use this cash value to borrow against the policy in times of need, or if the life insurance protection is no longer needed, the owner may cancel the coverage and receive the full cash value of the policy.

The Paid Up at Age 65 MBA Whole Life Insurance policy is

a participating plan of insurance. This means that the policy owner will share in any divisible surplus of the MBA. The divisible surplus is called a dividend on the policy and is credited to the policy on each anniversary date. The policy owner may elect to receive the policy dividend in one of the following ways: cash dividend, dividends on deposit, and life paid-up additions.

The "cash dividends" option allows the policy owner to receive a check each year on the policy anniversary date. The check will automatically be sent by the MBA to the policy owner. The dividends for the "dividends on deposit" option remain with the MBA and are attached to the policy. Interest is payable on the dividends on deposit. Each anniversary, the policy owner will receive a statement from the MBA detailing the prior year's dividend balance, the current dividend granted on the policy, and the interest earned on the dividends. The "life paid-up additions" option uses the dividend to purchase additional insurance coverage for the insured. This option allows the policy owner to increase the amount of life insurance on the insured each year. Like the dividends on deposit option, the policy owner will receive a statement each policy anniversary that details the amount of the current dividend, the amount of life insurance that the dividend purchased and the total amount of additional life insurance that has been added to the policy. This option is a great way to fight the costs of inflation.

**The Paid Up at Age 65 MBA Whole Life Insurance plan** provides the policy owner with many additional benefits that may not be present with other life insurance products. If the policy owner is unable to continue to pay the required premiums on the policy (prior to the policy becoming fully paid), options are available to avoid canceling the policy and losing the valuable life insurance coverage. These options include an Automatic Premium Loan, the Non-Forfeiture Options of Extended Term Insurance, or Reduced Paid-Up Insurance.

**Please see the insert in this issue of *The Postal Record*** for detailed information and an application for the Paid Up at Age 65 MBA Whole Life Insurance policy.

## United States Letter Carriers Mutual Benefit Association (MBA)

The Life Insurance Association of  
and for the National Association  
of Letter Carriers  
Suite 510, 100 Indiana Ave., NW  
Washington, DC 20001-2144

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202-638-4318, 8 a.m.-3:30 p.m. (Eastern)

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