

# City carrier assistants and MBA



**Myra  
Warren**

**A**s the director of the United States Letter Carriers Mutual Benefit Association, the staff and I would like to welcome the city carrier assistants as members of an organization, the National Association of Letter Carriers (NALC), which has, through its members, fought for sound living wages and benefits for letter carriers for more than 100 years. As outlined in the *NALC Constitution*, one of the objectives of this great union is to “unite fraternally all letter carriers and other employees of the Postal Career Service for their mutual benefit.” The United States Letter Carriers Mutual Benefit Association, often called MBA, was established for this very purpose in 1891. The MBA of-

fers life, health and retirement products to its members.

While all the products offered by MBA are affordable, I would like to mention one product especially for our new

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city carrier assistants. This product would be the MBA 10-Year Renewable and Convertible Term Life Insurance Plan.

**The MBA 10-Year Renewable and Convertible Term Life** plan provides coverage on the life of the insured. 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. An NALC member, when applying for a 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 (including stepchildren), grandchildren, or even great-grandchildren.

The premiums for an MBA 10-Year Renewable and Convertible Term Life policy are based on the proposed insured's age at their last birthday and the amount of life insurance for which they are applying. For example: CCA Jason purchased a term-life policy at the age of 23. The coverage amount he selected is \$10,000. Jason pays a bi-weekly premium of \$2 through payroll deduction. This amounts to \$4.34 per month and \$52.00 per year.

Premiums will remain the same for a 10-year period. Premiums may be paid directly to the MBA office on an annual or monthly (12 times per year) basis or, as the example with Jason, they may be paid through biweekly payroll deduction.

After the initial 10-year period, the policy owner has the option of renewing the policy for another 10-year period (at the rate of the insured's current age at the time of renewal) 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.

The MBA 10-Year Renewable and Convertible Term Life policies provide for benefits to be paid to a beneficiary. In the event of the death of the insured, the MBA will pay the face value (also known as the death benefit) to the policy's designated beneficiary. MBA allows the policy owner to change the beneficiary of a policy at any time prior to the insured's death.

Each year, the NALC Board of Trustees determines if the MBA 10-Year Renewable and Convertible Term Life plan of insurance 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, or b) paid in cash, or c) used to pay premiums on the policy.

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 city carrier assistant to provide for his or her family in the event of unforeseen circumstances.

Please see the insert in this month's *Postal Record* for additional information and an MBA 10-Year Renewable and Convertible Term Life insurance application.

**May you experience good health and prosperity. Happy new year!**

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

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