

Affordable life insurance for everyone



**Myra
Warren**

As we begin a bright new year, it's a good time for all of us to review our financial status and make plans for the future. Some important questions that we should be asking ourselves are:

- What if something happens to me in the future? Will my family be taken care of financially?
- Have I provided for my spouse, children, parents or other family members?
- Will they be able to continue their standard of living?
- Will my family have the funds to pay for my final expenses?
- Will I leave debt that my family will be responsible for repaying?

To answer these and other questions, it is important to review the amount of life insurance coverage that each individual family member has.

Most NALC members are covered under the Federal Employees Group Life Insurance (FEGLI). This group life insurance is a term life plan that *increases in cost* as an insured (the employee) gets older. While FEGLI is valuable life insurance to have, it can become too expensive to maintain after the NALC member retires. A perfect supplement to FEGLI is the MBA Whole Life Insurance plan. This plan, offered by the United States Letter Carriers Mutual Benefit Association (MBA), is whole life insurance that remains in force for the insured's entire lifetime. Once the policy is issued, the *premiums never increase*.

Not only is it important for an NALC member to be covered by life insurance, but it is also important to have coverage on a spouse and children. The death of a spouse or child could result in financial debt for the family. Life insurance cannot help ease the pain during these times, but it can give the family one fewer thing to worry about and comfort knowing that the family will not suffer financial hardship.

The MBA Whole Life Insurance plan is a way to give your family financial security both during the insured's lifetime and beyond. The amount of insurance (death benefit) is chosen at the time the policy is issued. Coverage selection can range for any amount between \$10,000 and \$100,000 for each individual. This insurance plan is available to the NALC member, spouse, children, stepchildren, grandchildren, step-grandchildren, great-grandchildren, step-great-grandchildren and even the parents of an NALC member. A policy may be issued to an insured from the birth through 90.

The MBA Whole Life Insurance plan offers affordable premium rates. For example, if an NALC member purchased \$50,000 of life insurance for each member of their family, they would only pay the following biweekly premium payments:

- | | |
|------------------------|---------|
| • NALC member (age 30) | \$26 |
| • Spouse (age 26) | \$23.50 |
| • Child (age 6) | \$14 |
| • Child (age 3) | \$7.50 |

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

Because the coverage is whole life insurance, the policy builds a cash value that the insured can use as a nest egg for the family. The nest egg grows as the policy owner earns tax-deferred interest at above-market rates. The policy even has a loan provision, should the policy owner need to borrow against the policy.

The 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 each anniversary date. The policy owner may receive the policy dividend in one of the following ways:

- **Cash dividend**—receiving a check each year on the policy anniversary date.
- **Dividends on deposit**—dividends remain with the MBA and earn interest.
- **Life paid-up additions**—dividends are used to purchase additional life insurance for the insured.

As a whole, the MBA Whole Life Plan is coverage available to the *whole* family.

For more detailed information, please see the insert in this month's *Postal Record*. If you have any questions, please contact the MBA office. The contact information is listed below. You may also visit our website at nalc.org/mba.

Note: MBA's interest credited rate for 2018 remains at 3.25 percent.

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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