

LIFE INSURANCE MADE SIMPLE

As a letter carrier, your family depends on you. But what happens if something happens to you and you're no longer there for them to depend on? It may be difficult for many people to think about, but you owe it to them and to yourself to consider life insurance—and NALC's Mutual Benefit Association (MBA) can make it easy.

Life insurance ensures that your spouse, children or other loved ones will receive financial support no matter when you die. Life insurance can also cover costs such as debt, taxes and funeral expenses, and as a result, your

spouse and children aren't left to deal with such matters when they're most grief-stricken.

Even if you are young and don't have a spouse or children, buying a life insurance policy makes sense because it is less expensive, offering more benefits by starting early. Furthermore, some policies build a cash value you can use later in life.

"It's always smart to start planning your financial life early, and to make adjustments as your life changes," NALC President Brian L. Renfroe said. "NALC members have several good options for life insurance and should

consider them no matter where they are in life.”

We know that life insurance seems complicated, so MBA is working to make it simple.

YOUR MUTUAL BENEFIT ASSOCIATION

Founded in 1891, MBA is an insurer for NALC members and their families, administered from its office, which is located at NALC Headquarters in Washington, DC. Thanks to the multiple programs designed to meet the varied needs of letter carriers, MBA currently insures about 7,200 people for a total of \$170 million in life insurance coverage. MBA is overseen by Director of Life Insurance Jim Yates, a letter carrier from Long Island Merged, NY Branch 6000.

While most insurance companies put their profits ahead of your needs, the MBA is a not-for-profit insurer, run by letter carriers for letter carriers and their families.

“Unlike other insurance companies, everything we do is with the thought of how it will benefit our members and their families,” Yates said.

MBA offers two types of life insurance—term and whole life.

The simplest is **term life insurance**. Like home or auto insurance, term life protects the insured for a certain time period, or term, such as 10 years. While this kind of insurance covers only a set period, many term life products are renewable. The cost of term life insurance varies a great deal depending on your age—the older you are, the more expensive insuring your life will be.

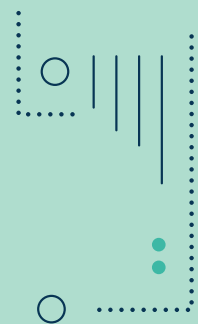
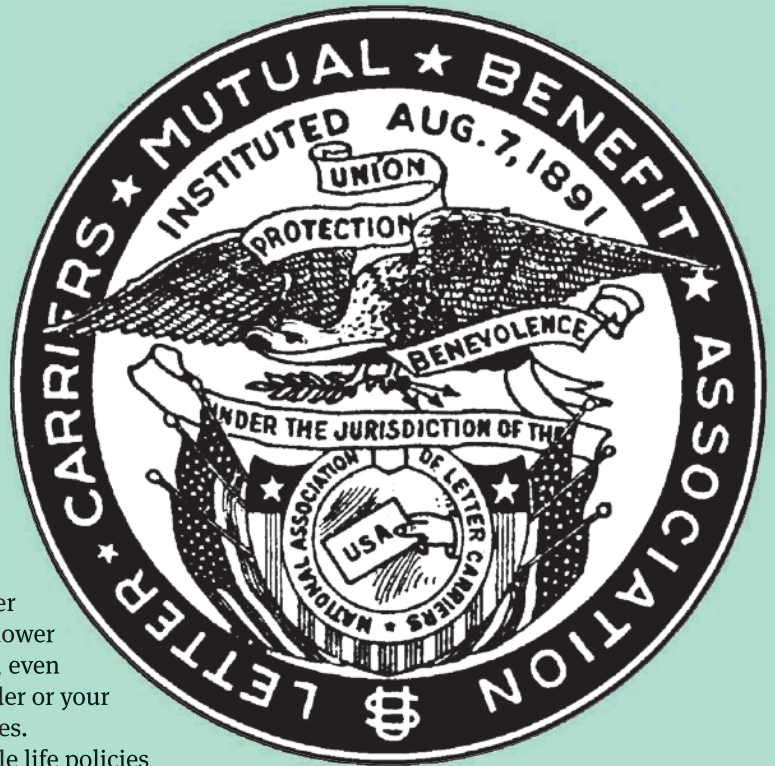
A **whole life insurance** policy has no term—it is guaranteed to pay a benefit when the insured dies, no matter when that is. Whole life policies

spread the costs over the payment period, and the premium amount will remain the same throughout the lifetime of the policy. That means that the earlier you buy, the lower the premium, even as you get older or your health declines.

MBA’s whole life policies come with a cash value, functioning like a savings plan. As you make premium payments on a whole life policy, a portion of the premium goes toward providing the death benefit (which is paid to the beneficiary at the time of the insured’s death), while the other portion builds a cash value. MBA invests the cash value portion of the premiums. This cash value remains available to the owner of the policy.

As with term life insurance, if you die with a whole life policy in force, the death benefit is paid. However, if you cancel a whole life policy, you receive the cash value that has accrued. For instance, you might choose to cancel a whole life policy and receive the cash value after you retire because your family has less need for life insurance coverage, and you need the money for living expenses instead. In addition, based on the policy contract, loan options may be available.

MBA pays dividends—a share of the profits—to its whole life insurance policyholders when the paid premiums exceed the amount needed by MBA for



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policyholders when the paid premiums exceed the amount needed by MBA for the year to cover death benefits. Moreover, for whole life policies, the policyholder can choose between three options with their dividend to buy more insurance using the dividend, as life paid-up additions, leave the dividends on deposit to increase the policies cash value, or receive a dividend check.

Whatever your career status, letter carriers have many insurance options from MBA to choose from, and your needs may change over time. As you get older, buy a home, get married, have children, and perhaps divorce or form blended families with stepchildren, you might want to update your insurance plans or anticipate future changes. Your health also can change as you age, and some insurance policies take this into account.

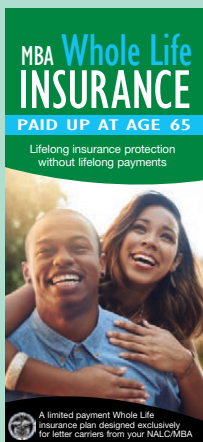
“MBA offers both term and whole life policies that could make sense for almost any letter carrier at any age or stage in life, from CCAs to retirees,” Yates said.



MANY OPTIONS FOR YOU

Here’s a look at the many whole and term life insurance products MBA offers to fit every letter carrier’s needs:

MBA Whole Life Paid-Up at Age 65 is a limited-payment whole life insurance policy. It is ideal for all letter carriers and their family members. MBA Life Paid-Up at Age 65 offers lifelong insurance protection without lifelong payments. This plan allows the insured to reduce their financial obligations upon retirement while maintaining insurance coverage. You can purchase life insurance coverage amounts between \$10,000 and \$150,000. Premium payments are required up to the policy’s anniversary date after the insured’s

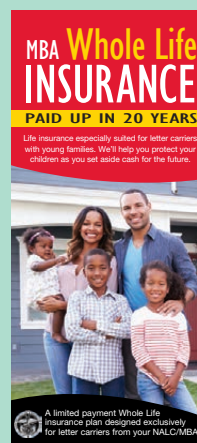


65th birthday. At that time, the policy is fully paid up, yet coverage stays in force throughout the insured’s lifetime, unless you decide to surrender the policy for its cash value.

MBA 20 Pay Whole Life is a limited-payment life insurance policy that lets you build up cash for your future. Whether you choose \$10,000 or \$150,000 worth of coverage or anything in between, you pay premiums for only 20 years. In the event of the insured’s death,

MBA 20 Pay Whole Life will pay the beneficiaries the full amount of the policy. After 20 years, you can keep the coverage at no cost or surrender your policy for its cash value. If you choose to keep the policy in force, your cash value will continue to grow, and you will continue to earn dividends. The MBA 20 Pay Whole Life is ideal for members who want to cover their children or grandchildren. The younger the insured is at the time of purchase, the lower the monthly premiums will be. Ownership of the policy can be transferred to the child when they become of age.

As with the Paid-Up at Age 65 and 20 Pay Whole Life plans, the **MBA Whole Life** policy is a whole life plan that lets you choose from \$10,000 to \$150,000 worth of coverage. Premiums are based on the amount of the policy benefit and your age at the time of purchase. With this plan, premiums remain the same throughout the life of your poli-





MBA Whole Life INSURANCE
Life insurance that protects your loved ones—plus a growing nest egg available in an emergency or to help pay for college or retirement.

A Whole Life insurance plan designed exclusively for letter carriers from your NALC/MBA

family with life insurance coverage of \$5,000, \$10,000, \$20,000, \$150,000 or any amount you choose within that range (subject to limitations) for a single, once-in-a-lifetime premium payment. With this plan, you not only get immediate real-cash value, but also investment advantages such as favorable tax-free interest earnings, easy low-interest loan availability, an instant cash-value option, a no-cancellation guarantee and, of course, full death benefits.

Similarly, there are the term life options:

MBA 10-Year Renewable and Convertible Term Life is a 10-year renewable and convertible policy. In the event of your death, the policy will pay your beneficiaries the full amount of your policy for as long as it is in force. This plan lets you choose coverage of

cy. This is ideal, as it is consistent coverage that can be taken out at any time up until age 90.

The **Independence—Single Premium Plan**, one of the most convenient whole life plans available, provides you or any eligible member of your

INDEPENDENCE SINGLE PREMIUM WHOLE LIFE
A secure, single-payment life insurance plan ideal for your children or grandchildren.

A Whole Life insurance plan designed exclusively for letter carriers from your NALC/MBA

\$10,000 to \$150,000. Your premium will remain the same until the 10-year term ends. You can renew for another 10 years of coverage without a medical exam. At each renewal period, your premium increases according to your age. You can continue your MBA 10-Year Renewable and Convertible Term coverage until age 80. Also, you can convert your term life policy to a whole life policy, such as MBA Whole Life, without taking a medical exam, if the insured is under the age of 65, certain restrictions apply. Term Life is available for your spouse, children, grandchildren, great-grandchildren (all, including steps) and parents, at the same benefit amounts open to you.

If you want a shorter term, there is **MBA 5-Year Renewable and Convertible Term Life**. This five-year renewable and convertible term policy functions the same as the 10-year version, but at five-year intervals.

If you want a longer term, there is **MBA 20-Year Term Life**. While not automatically renewable, as are the five- and 10-year term life options, it is convertible to a whole life policy, such as MBA Whole Life, without taking a medical exam, if the insured is under the age of 65, certain restrictions apply. When your 20-year term expires, you can reapply for another 20-year term if you are age 60 or under.

The final term life product is **MBA Term to Age 65 Life Insurance**. This plan offers term-life insurance until the insured reaches age 65. In the event of your death, the policy will pay your beneficiaries the full amount of your policy for as long as it's in force. Regardless of the issue age of the insured, the policy will remain in force until the policy anniversary date after the insured reaches age 65. This plan

MBA Term Life INSURANCE
10-YEAR RENEWABLE AND CONVERTIBLE
The most affordable way to get the insurance protection you need.

A Term Life insurance plan designed exclusively for letter carriers from your NALC/MBA

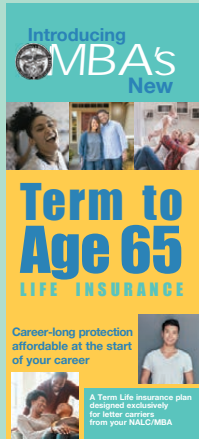
Introducing **MBAs New**
5-Year Renewable & Convertible TERM LIFE INSURANCE
Our most affordable protection for when you need it most.

A Term Life insurance plan designed exclusively for letter carriers from your NALC/MBA

Introducing **MBAs New**
20-Year TERM LIFE INSURANCE
The long-term coverage you need, locked in at the affordable rates you want.

A Term Life insurance plan designed exclusively for letter carriers from your NALC/MBA

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Life, without taking a medical exam, with restrictions.

OTHER PRODUCTS

Beyond whole and term life insurance, MBA offers other products that letter carriers and their families should consider.

All NALC members are automatically enrolled in free accidental death coverage that covers letter carriers for \$5,000 if they die as the result of an accident.

Individual Disability Income policies can cover active NALC members when the unexpected happens. It helps ensure that you have the money you need—and are better able to continue living the lifestyle you have worked for—if you become hurt or too sick to work. Disability income benefits start 14 days after your disability begins and payments continue during your disability for a period of up to six or 12 months, depending on which benefit period you select for your plan.

It's guaranteed renewable to age 65 by payment of the premium on each renewal date. As long as the premium is paid on time, MBA cannot change any benefits or refuse to renew the policy. Premiums are based on the table of rates in effect for all members insured under the policy who have the same issue age and policy date.

If you are hospitalized for illness or injury, MBA's **Hospital Plus** can help your financial health with cash payments of \$30, \$50, \$75 or \$100 a day, depending on your specific policy. Cash benefits start



on the first day you are hospitalized and continue for up to 365 days for one hospitalization. Our Hospital Plus also lets you cover your whole

family, your spouse at the same coverage amount as the member, and children are covered at 60 percent of the member's coverage.

Benefits are paid in full regardless of other health insurance benefits you receive. Cash benefits are paid directly to you and may be used for any purpose. This is extra cash protection to help you meet the financial burdens associated with accidents and illnesses.

All applying members, regardless of age, and their eligible dependents may be covered. As long as you pay your premium, you can keep your policy, regardless of prior benefits received or future health conditions. Rates will not be individually raised.



MORE INFORMATION

Life insurance is a lot to consider, and sometimes you might want to talk to another letter carrier for information and guidance. Branches should have a local MBA representative, a letter carrier who understands MBA insurance policies, and who can help you.

For more detailed information about MBA's products, brochures or applications, go to nalc.org/mba or call the MBA office at 202-638-4318, Monday through Friday, 8 a.m. to 3:30 p.m. Eastern time.

"Whatever your stage in life, it's a good idea to look at your life insurance needs," President Renfroe said. "Please consider the options MBA has, and protect the financial future of you and your family." **PR**

