



# AAFMAA<sup>®</sup>

# Advantage

AMERICAN ARMED FORCES MUTUAL AID ASSOCIATION NEWSLETTER

## Security is Just a Click Away with AAFMAA

The life of many Military Families can be hectic with PCS moves, deployments, and shifting responsibilities amongst the family. While this flux may become the norm for many Military Families, there are some things that should be predictable — like where you keep your essential documents and how to access them. Birth certificates, DD-214s, VA award letters, and more are required documents for school registrations, passports, ID cards, VA entitlements, life insurance claims, Social Security benefits, and many other key events.

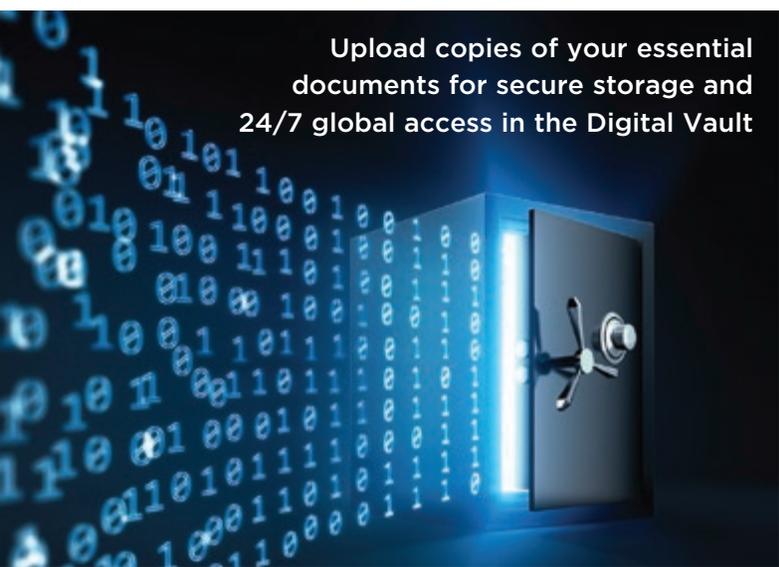
At AAFMAA, we understand how crucial your essential documents are to you and your family's financial security. One missing document could significantly delay your

loved ones' access to crucial finances when they need them the most. The AAFMAA Digital Vault provides you and your family with the peace of mind of knowing your documents are safe, organized and accessible any time.

The Digital Vault is a secure online portal available to you by logging into the AAFMAA Member Center with your unique credentials. From there, you can upload digital copies of your essential documents for secure storage with access whenever you need them — globally, 24/7 online. What's more, if you or your loved ones ever need assistance submitting a claim, the AAFMAA Member Benefits Team can securely access the documents you've uploaded to help you receive the benefits you have earned.

Visit [aafmaa.com/membercenter](http://aafmaa.com/membercenter) today to access your secure Digital Vault and upload your essential documents. Remember to include the essential documents you may have received during your military career, as well as non-military documents such as birth certificates, wills, passports, powers of attorney, and trust documents — any documents that are crucial to your family's security.

While you're in the Member Center, take a moment to update your personal information, including providing your email address to ensure everything is up-to-date and that we can always reach you when necessary. It's important for AAFMAA to know of any changes to your beneficiaries, address, and contact information, to administer your policies. You can also elect to receive your communications electronically in the future, making it easier and faster for you to receive important information from AAFMAA.



**Upload copies of your essential documents for secure storage and 24/7 global access in the Digital Vault**

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# Message from the President



**BG Michael J. Meese, Ph.D.  
(USA, Ret.)**  
President

Dear Fellow Members,

For over 141 years, AAFMAA has endured through wartime, economic turmoil, and global crises because of our extraordinary staff and its dedication to you, our Members. Even now, in the face of the COVID-19 outbreak and its effect on our country and our military community, our legacy continues.

Throughout these challenges, AAFMAA has worked tirelessly to be there for you and your family when you need us most. We quickly adapted to remote work environments and developed new, completely digital operating procedures. Because of these efforts, AAFMAA was able to operate at full capacity while maintaining the safety of our employees — all without missing a single day of providing superlative personal service to our Members. I am proud of each team member and our ability to always deliver on our mission to ensure the financial security and independence of the military community.

As part of this mission, AAFMAA held its 141<sup>st</sup> Annual Meeting on June 9, 2020 in a completely virtual format. We safely delivered the Association's 2019 results to Members, while enabling more Members than ever to join the meeting (see page 4). We plan to offer this virtual attendance opportunity at future Annual Meetings, even after we can safely resume in-person gatherings.

Throughout this newsletter, you'll see that 2019's successes extend into 2020. AAFMAA's Membership continues to thrive as more new members of the military community find financial security with AAFMAA. On page 1, you'll see how AAFMAA Members are "going digital" with our online Member Center to keep their policies up-to-date and ensure their families are protected now and into the future.

This year, we've also seen a strong surge of Members coming to AAFMAA Wealth Management & Trust LLC (AWM&T) for service following USAA's sale of their investment management services. As you'll see on page 3, our dedicated, experienced Relationship Managers closely monitor every AWM&T account knowing the unique needs of the military community. We're ready to serve your family and will always put your best interests first.

With mortgage interest rates at historic lows, AAFMAA Mortgage Services LLC (AMS) has refinanced a record number of Members' home loans in the past several months. Despite volatility in mortgage rates, AMS Military Mortgage Advisors remain committed to securing the best rates available for you. AMS has also substantially expanded its team and opened new branch offices to provide exemplary service to Members, which you can learn more about on page 6.

As always, AAFMAA is committed to providing security and stability in these uncertain times for you and your family with Solutions for YOUR Financial Future.

BG Michael J. Meese, Ph.D. (USA, Ret.)

# What Schwab's Takeover of USAA Investment Management Means to **YOU**

The Charles Schwab Corporation recently acquired the USAA Investment Management Company, including all brokerage and managed portfolio accounts. USAA members' financial futures are now in the hands of unfamiliar advisors who may lack an intimate understanding of the opportunities and challenges unique to the military community.

At AAFMAA Wealth Management & Trust (AWM&T), we assign every Member a dedicated Relationship Manager — not just another “advisor.” Your Relationship Manager becomes familiar with your individual needs to help you navigate AWM&T's offerings, including investment management, financial planning, and trust services. Our team then executes and maintains the right portfolio around your goals, time frame, and risk comfort level. We provide unparalleled personal service from a team of seasoned professionals dedicated exclusively to the military community.

As an AWM&T client, you'll enjoy:

- **Direct access to your dedicated Relationship Manager** — no call centers, rotational staff, or days spent waiting to connect.
- **A team approach to the development of your financial plan** with the expertise of our senior leadership and investment management team.
- **An ongoing discussion about your financial goals** to continuously adjust and optimize your portfolio.



What's more, *we know the military because we are military.* More than half of AWM&T employees — including Relationship Managers — served, are currently serving, or are spouses of those who served. You can be confident knowing that as a fiduciary, AWM&T is legally required to put your interests first — always.

In fact, we offer complimentary portfolio reviews so you can experience the AWM&T difference firsthand, risk free. You'll receive a customized report with a review of your current holdings and portfolio recommendations based on your individual risk tolerance. You don't have to make any commitments and the results are entirely for your benefit.

**Interested in learning more?** Connect with an AWM&T Relationship Manager at 910-307-3500 or [wealthmanagement@aafmaa.com](mailto:wealthmanagement@aafmaa.com) to start your free portfolio review today.

# 141<sup>st</sup> Annual Meeting Minutes

[The Annual Meeting convened at 1205 hours, 11 June 2019 online.]

GEN Dennis J. Reimer (USA, Ret.), Chair of the Board of Directors, called the 141<sup>st</sup> Annual Meeting to order. GEN Reimer recognized several notable AAFMAA Members: Jon Doiron, the youngest Member in attendance; Ernest Peixotto, the longest tenured member in attendance, with over 72 years of loyal membership; and Charles Graham, the oldest member in attendance at age 93.

Last year's meeting was on 11 June 2019. The minutes were published and distributed to all Members. A motion to waive the reading of minutes and approve the minutes of the previous meeting was made and seconded. The motion was approved.

GEN Reimer noted that last year was AAFMAA's 140<sup>th</sup> anniversary of serving the American Armed Forces community. At that event, we recalled that AAFMAA traces its birth to the Battle of the Little Bighorn. If you were to go to the battlefield at Little Bighorn, you would see a monument there that honors both sides. It is a fitting monument because it talks about valor and sacrifice. However, the living monument of Little Bighorn is AAFMAA — the American Armed Forces Mutual Aid Association. Since then, AAFMAA has made "passing the hat" to support the survivors of servicemembers unnecessary. We have focused on taking care of our Members, taking care of our families, taking care of our survivors. It has been our sole focus.

AAFMAA now has over \$25.1 billion of insurance in force. We insure over 101,000 lives of Members and families with nearly 122,000 policies in force. In 2019, our exceptional Survivor Assistance Services team provided superlative personal service to the families of 1,092 Members who died during the year and continues to serve more than 11,600 survivors.

AAFMAA achieved great investment success in 2019, which added to our strong financial foundation. This financial strength allowed us to continue paying industry-leading Crediting Rates of 5.0% or greater on whole life policies in 2020. This directly benefits you, our Members, because the Crediting Rate helps build the cash value of all Value-Added Whole Life, **ANNUITYLife**<sup>®</sup>, and Wealth Builder Life Insurance policies.

We also help Members plan their financial future through AAFMAA Wealth Management and Trust LLC (AWM&T), which provides financial planning, investment management, and trust services while meeting a fiduciary standard.



**AAFMAA President, Mike Meese, discusses AAFMAA's Mission in the online Annual Meeting**

AAFMAA Mortgage Services LLC (AMS) continues to grow and attract new Members to AAFMAA. They provide expertise in VA loans and great low rates. AAFMAA Mortgage Services should be your first call when buying or refinancing your home.

GEN Reimer then turned the meeting over to BG Michael Meese (USA, Ret.) to deliver the President's Report.

BG Meese referred attendees to the 2019 Annual Report, which is available online.

AAFMAA has become the premier provider of the three pillars of financial independence and security for the military community — life insurance, investment management, and home equity. AAFMAA works to protect your family while you are in the military and to provide affordable financial solutions for you throughout your lifetime.

At the end of 2019, we had just over 85,000 Members, which is slightly down from previous years and is an issue that we are working to address. Although Life Insurance achieved its annual goal with 5,495 new policies issued, after subtracting the 1,645 policies that we paid as death benefits for those AAFMAA Members who died, there was a net loss of 743 Members for the year. The strength of AAFMAA is its loyal Members, who consistently praise AAFMAA for our superlative, personal service. We encourage you to share all the benefits that you know and love from AAFMAA with your fellow military families and suggest that they consider joining AAFMAA as well.

AAFMAA does not just sell life insurance; we make sure that your family has the right protection for the right reason at the right price. No one on the sales team



earns commissions; they have no incentive to provide anything other than the best insurance for you.

Our Member Benefits team helped Members get over \$616,000 of annual benefits and \$380,000 in retroactive payments they earned through military service — just last year. AAFMAA's Survivor Assistance Services team helped families receive all of the benefits that they deserved — over \$82 million in insurance payments, \$1.9 million in annual VA payments, and nearly \$200,000 in burial reimbursements. No other Association takes care of the military like AAFMAA and that is why AAFMAA life insurance is so special.

The second pillar of your financial independence is investments, which is why we formed AAFMAA Wealth Management & Trust eight years ago. In 2019, AWM&T exceeded its targets in the number of relationships, number of accounts, and experienced an exceptional 54% increase in private assets under management. Beyond being a fiduciary that meets the highest standards of trust and is required by law to put your interests first, Members choose AWM&T because of great relationship managers who get to know each family well.

In 2019, AAFMAA Mortgage Service obtained licenses in eight additional states and soon will be able to provide mortgages in 29 states, covering most major military communities from coast-to-coast. AMS has more than doubled its loan volume, surpassing the \$100 million loan mark and gaining approval to provide VA loans and place them on AAFMAA's books.

BG Meese called on COL Carlos Perez (USA, Ret.) to provide the Treasurer's Report.

COL Perez reported that AAFMAA's portfolio includes not only fixed income, common to most insurance companies, but also equity investments and investments in real estate property and mortgages. As of year-end, AAFMAA's assets totaled \$1.3 billion. The return on those assets, measured as Net Yield on Assets, was 3.7%.

Crediting Rates are set by the Board of Directors and reflect economic conditions and the performance of AAFMAA's investments. They are essentially the rate applied to the cash value of Members' whole life policies, enabling that cash value to grow. AAFMAA's returns (Net Yield on Assets), coupled with today's economic factors, allow AAFMAA to provide industry-leading crediting rates ranging from 5.0% to 5.5% for its whole life products in 2020.

AAFMAA's financial highlights are available in the 2019 Annual Report. Revenue in 2019 was just over \$114 million. After paying out over \$82 million in death benefits and returning nearly \$10 million of cash value back to its Members, AAFMAA closed with a net income

of \$1,016,291, thus fulfilling its mission of ensuring the financial security and independence of the American Armed Forces Community.

COL Perez concluded his report by stating that AAFMAA remains on sound footing that will enable it to continue meeting its founding purpose "to aid the families of the deceased members in a prompt, simple and substantial manner."

BG Meese concluded the President's Report. A motion to approve the President's Report was made and was seconded. The President's Report was approved unanimously.

GEN Reimer stated that the next order of business was to receive the report from the Secretary and Chief Operating Officer, LTC Jerry Quinn (USAR).



**GEN Reimer addresses AAFMAA Annual Meeting**

Each year, AAFMAA convenes a nominating committee to nominate AAFMAA Board Members. This year's Nominating Committee consisted of: BG Michael D. Phillips (USA, Ret.), LTC John V. Scudder (USA, Ret.), and COL Mark D. Troutman (USA, Ret.). The Association thanked the Nominating Committee for its time and effort.

The Committee nominated LTG John A. Dubia (USA, Ret.), for his second term, BGen David G. Reist (USMC, Ret.), for his first term, and COL Wilson A. (Bud) Shatzer (USA, Ret.), for his third term. Proxies were received, duly counted and certified by an independent proxy service. All nominees were elected by the Membership and their terms will continue until the Annual Meeting in 2024. This concluded the results of the Nominating Committee and proxy balloting. A motion to close the nominations and elect the nominees was made and was seconded. The vote to close nominations and elect the nominees passed unanimously.

GEN Reimer asked for any new business to be brought before the meeting. There being none, he adjourned the 141<sup>st</sup> Annual Meeting of AAFMAA at 1247 hours.

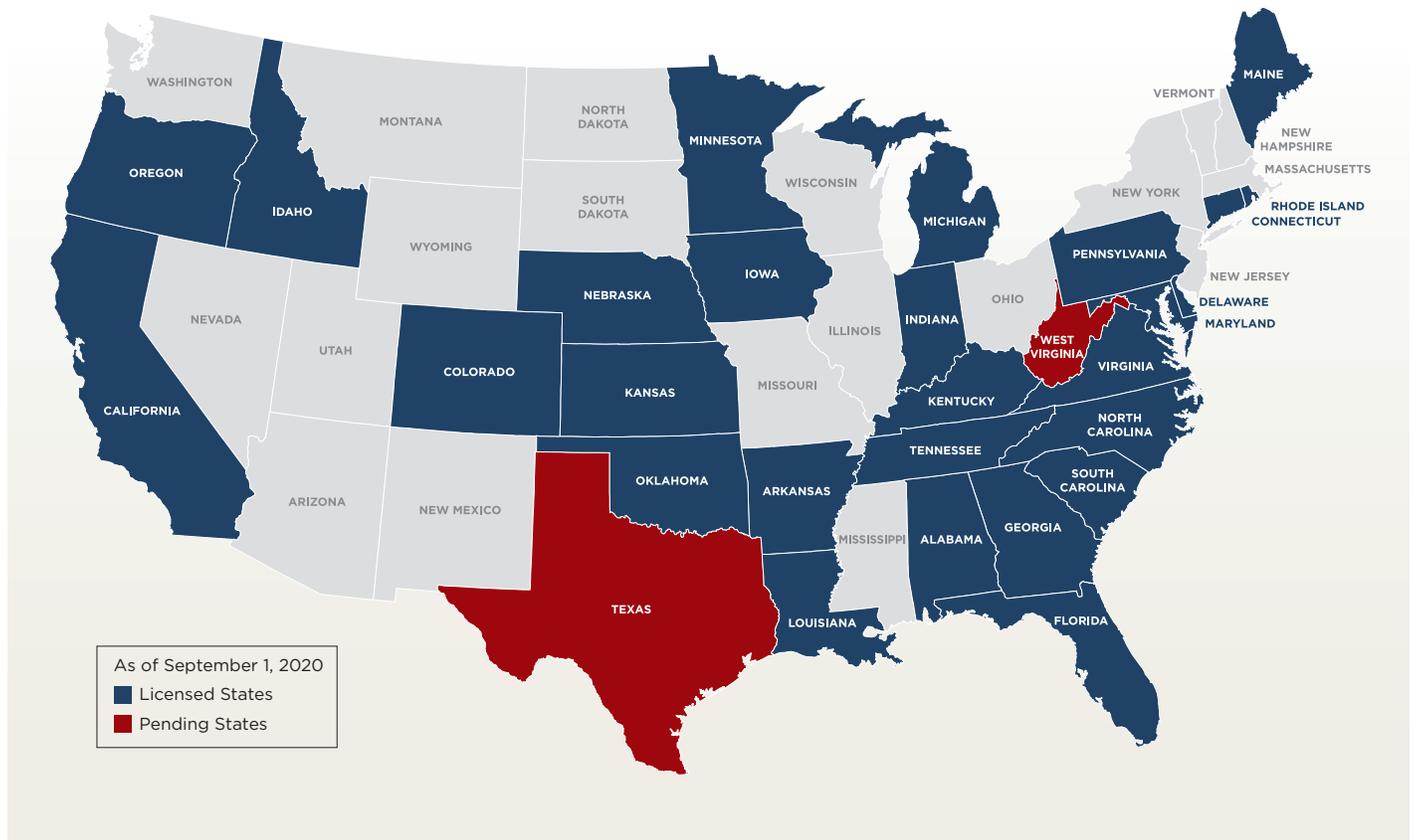
**MORTGAGE SERVICES**

# AAFMAA Mortgage Services LLC Continues to Grow – *Tell Your Friends!*

AAFMAA Mortgage Services (AMS) added a new office in Morrisville, North Carolina to further expand our affordable mortgage solutions to the military community. The new Morrisville office is home to the AMS executive team, a team of Military Mortgage Advisors, and other staff—all there to serve you. Additionally, the AMS Wilmington, NC Branch Office relocated to a larger office space to better serve the growing demand from Members in the area. The new office space is conveniently located near downtown Wilmington, making it easy for Members to visit.

AMS has added 16 new employees to our team in 2020, expanding our executive and operations teams, and adding several new Military Mortgage Advisors experienced with VA Home Loans to provide superlative personal service to the military community.

In addition, AMS license applications are pending in Texas and West Virginia, so stay tuned for news of further expansion.



AAFMAA Mortgage Services is an Equal Housing Lender. NMLS #1423968. All loans subject to credit approval. This is not a commitment to lend. See a complete list of state licenses and disclosures at [www.aafmaa.com/mortgage](http://www.aafmaa.com/mortgage).



## CONTACT

**GENERAL**

Phone: (703) 707-4600  
Toll-free: (800) 522-5221

**LIFE INSURANCE****Sales**

Toll-free: (800) 522-5221, option 1  
Email: Membership@aafmaa.com

**Policy Services**

*Payments, policy loans, beneficiary changes,  
address updates*

Toll-free: (800) 522-5221,  
option 1, then option 1 again

Email: PolicyServices@aafmaa.com  
Website: www.aafmaa.com/life

**Member and Survivor Benefits**

*Death claims, vault documents, VA assistance, benefits  
counseling, Family Information Report (FIR)*

Toll-free: (800) 522-5221, option 2  
Email: MemberServices@aafmaa.com

**AAFMAA WEALTH MANAGEMENT & TRUST LLC**

*Financial Planning, Investment Management,  
Trust Services*

Toll-free: (800) 522-5221, option 3  
Email: WealthManagement@aafmaa.com  
Website: www.aafmaa.com/wealth

**AAFMAA MORTGAGE SERVICES LLC**

*Home Purchasing, Refinancing,  
Construction Loans*

Toll-free: (800) 522-5221, option 7  
Email: Mortgage@aafmaa.com  
Website: www.aafmaa.com/mortgage

**AAFMAA OFFICES**

102 Sheridan Ave, Fort Myer, VA 22211  
1850 Old Reston Ave, Reston, VA 20190  
639 Executive Place, Fayetteville, NC 28305



## AMS Borrower Story: Making the Final Move

AMS is always proud to be a part of a servicemember's home buying or building journey. We strive to make the process as seamless and easy as possible. Recent AMS borrowers, Jerry and Kathy C., enjoyed our unique borrowing experience while working with AMS Fayetteville, North Carolina Branch Manager Rick Maines to secure the funds to purchase their dream retirement home.

A 1968 West Point grad and Vietnam Veteran, Jerry contacted Rick after having viewed an AAFMAA Webinar. From their first conversation, Jerry and Kathy knew they were in good hands. Rick walked the homebuyers through the VA Home Loan financing and approval process, ensuring they secured the best mortgage rate. He then locked them in with an interest rate at 3.25%\*, so they could move into their perfect retirement home in Florida.

"We appreciate that AMS is staffed by people who have been in the military or deal with the military," Jerry says. "They understand what we're thinking, what we've been through. And they care."

\* All loans subject to credit approval. Your rate may vary and depends on your credit qualifications, mortgage product, and current interest rates.

### Visit us online



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[@aafmaa](https://twitter.com/aafmaa)



[linkedin.com/company/aafmaa](https://linkedin.com/company/aafmaa)



## Solutions for YOUR Financial Future

# 2021 Calendar Cards Now Available On Request

In the past, AAFMAA had a special mailing that included a set of wallet-sized calendar cards. With the ubiquitous use of smart phones, many Members have suggested that the cards are no longer necessary and AAFMAA should redirect the printing and mailing costs toward more productive uses. However, we also know that many of you enjoy the calendars cards and share them with friends as a way to help others learn about AAFMAA.

To most efficiently meet our Members' needs, we will happily provide the traditional calendar cards to anyone who wants one, but will do so only by request. In addition, this year you will also have the option of requesting a refrigerator magnet calendar or the wallet card. To request your complimentary calendar card or magnet, email [calendars@aafmaa.com](mailto:calendars@aafmaa.com) or call (703) 707-1165 with your selection, Member information, and desired delivery address and we will promptly mail your 2021 calendar card to you.

### Help AAFMAA Grow—Refer Your Friends



JANUARY							FEBRUARY							MARCH							APRIL						
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Request your complimentary calendar card or magnet, email [calendars@aafmaa.com](mailto:calendars@aafmaa.com) or call (703) 707-1165.