



AAFMAA ADVANTAGE

What's Your Story?

As an AAFMAA Member, when you share your story with us, you get the support you need, your way. The military community is several million strong. And, while all servicemembers and Veterans may share many things in common, your story and goals remain unique to you and your family. Whether it's saving for education, purchasing a home, or financing retirement, your success requires more than a one-size-fits-all financial plan.



We're here to help you achieve your goals through the right mix of always-affordable financial solutions, customized to what you need, when you need it. You share your story with us and we help identify a tailored approach toward your financial security. Then, as your life grows and changes, you can trust us to keep up — providing the life insurance coverage you need, adjusting your financial plan, or securing a mortgage for your growing military family.

Decide what matters to you. We will help ensure you're able to achieve it. Contact an AAFMAA Membership Coordinator today at 877-398-2263 to discuss how AAFMAA can support your unique financial goals.

Coming Soon:

Even More Value from Your AAFMAA Membership

AAFMAA Members get so much more than just life insurance. From personalized financial products to experts specializing in navigating the military lifestyle, to a depth of resources and assistance in securing exclusive military benefits. Your Membership is certainly a premium experience.

That's why, starting in 2022, we will enhance your AAFMAA benefits by providing more exclusive content and personalized experiences designed especially for Members like you.

Excited to learn more?

Be sure your email is up to date in the AAFMAA Member Center (connect.aafmaa.com) and that you are following us on social media. You'll be among the first to hear about what's coming to your AAFMAA experience.

connect.aafmaa.com

facebook.com/AAFMAA

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

linkedin.com/company/aafmaa



Message from the President

Dear Fellow Members,

For 142 years, AAFMAA has had the privilege of serving military families just like yours. Your trust that we will be there for you and your loved ones has helped our Membership expand to more than 84,000 across the entire military community — from active duty to Veterans to spouses. Every day, we are continuing to grow and innovate to better help ensure your financial security and independence and that of all other military and Veteran families.

In a year punctuated by both great progress and difficult turmoil, AAFMAA stood steadfastly ready to serve you and your family throughout 2021. Thanks to the quick advancement of the coronavirus vaccines, on June 8, 2021, we were able to convene the 142nd AAFMAA Annual Meeting safely in person while also sharing it online to reach as many of our Members as possible.

This newsletter reflects several ways we incorporate the mission of each of our businesses into everything we do:

- Helping to secure your family through life insurance and VA benefits
- Enabling you to create a financial legacy for your future generations
- Supporting you on the road to homeownership

As always, you can trust us to stand beside you through every stage of your life.

Proudly serving our Members,

BG Michael J. Meese, PhD.
(USA, Ret.)

142ND ANNUAL MEETING MINUTES

Continuing Our Mission to Serve through a Challenging Year

[The Annual Meeting convened at 1202 hours, 08 June 2021. It was held in person at the Army Navy Country Club in Arlington, VA and was simulcast online to all Members via Zoom.]

GEN Dennis J. Reimer (USA, Ret.), Chair of the Board of Directors, called the 142nd Annual Meeting to order. GEN Reimer recognized the Board of Directors in attendance. He continued by recognizing two Directors, Lewis Monroe and Dennis Porter, who have completed their terms of service on the AAFMAA Board. GEN Reimer expressed his thanks for their contributions to AAFMAA over the past 12 years. GEN Reimer then recognized several notable AAFMAA Members: LTC Mike Erwin, the youngest Member in attendance; COL John Wagner, our longest tenured Member in attendance, with over 67 years of loyal Membership; and COL John Insani, at 96 years of age, the oldest Member in attendance.

The minutes from last year's Annual Meeting, which was held on 9 June 2020, were published and distributed to all Members. A motion to waive the reading of the minutes and approve the minutes of the previous meeting was made and seconded. The motion was approved.

GEN Reimer noted that AAFMAA now has nearly \$25 billion of insurance in force and that we insure over 100,000 lives of Members and their families, with more than 120,000 policies in force. He stated that 2020 was a tough year for all of us and our exceptional Survivor Assistance Services team provided superlative personal service to the families of 1,300 Members who died during the year. He shared, "I believe that assisting people during their time of need is one of AAFMAA's most sacred responsibilities and greatest strengths."

GEN Reimer stated that AAFMAA also achieved great investment results in 2020, which added to the strong financial foundation of the Association. He indicated that AAFMAA's financial strength allowed us to continue paying industry-leading crediting rates of 4.25% or greater on whole life policies in 2021. He noted how this directly benefits each AAFMAA Member because the crediting rate helps build the cash value of all Value-Added Whole Life, **ANNUITY**Life®, and Wealth Builder Life Insurance policies.

Moreover, GEN Reimer shared that Members continued to improve their financial future in 2020 with AAFMAA Wealth Management & Trust LLC (AWM&T) which provides much-needed services such as financial planning, investment management, and trust services while meeting a fiduciary standard.

He also noted that in 2020, AAFMAA Mortgage Services LLC (AMS) provided more mortgages to Members than ever before, further helping our Members achieve their financial goals.

“Your Board of Directors worked on AAFMAA’s Strategic Plan over the last year. That plan continues AAFMAA’s purpose, which is rooted in its history of taking care of survivors and helping ensure the financial independence and security of the American military community. In doing this we will be building on AAFMAA’s unparalleled expertise in integrating military-related government benefits and services to better support our Members. This includes improving the products and services that we provide and leveraging technology to more effectively communicate with members of the Total Force — active duty, Guard, and Reserve — to grow AAFMAA’s Membership, especially with those that are just starting their military service.”

GEN Reimer acknowledged that to help AAFMAA grow, we are increasingly working with great partners that complement AAFMAA’s mission and help us to reach military members who may not have heard of AAFMAA. He indicated that as we engage with military families at all stages of their lives, we will

through it all, AAFMAA adapted and remained open and serving our Members every day.

BG Meese continued with some of the highlights that marked the year including: AWM&T helping over 230 military families weather challenging financial conditions and seeing a 40% increase in clients; similarly, AMS more than doubled its output with over \$230 million in mortgages; AMS also opened offices in Colorado, Arizona, and Texas, and now provides mortgages in 28 states; AAFMAA Life Insurance provided coverage for over 100,000 servicemembers, Veterans, and their families at a lower cost than both SGLI and VGLI; Value-Added Whole Life, **ANNUITY**Life®, and Wealth Builder Life Insurance policies provide permanent coverage while growing a cash value at industry-leading crediting rates of 4.25% or greater.

BG Meese then took a moment to discuss the AAFMAA Member Benefits and Survivor Assistance Services Teams, noting that they integrate military and government benefits to ensure Members and their families receive everything to which they are entitled. He shared that they had ensured our Members received over \$900,000 in VA benefits in 2020, and that our Survivor Assistance Services Team

“... we will be building on AAFMAA’s unparalleled expertise in integrating military-related government benefits and services to better support our Members.”

be providing specially tailored Member journeys to help them with their own financial independence and security.

GEN Reimer concluded by stating that all of this is possible because of AAFMAA’s strong financial foundation and our values-based culture of Compassion, Trust, Protection, and Innovation. “We are fully committed to AAFMAA’s success and, most importantly, to caring for you and your families.”

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

BG Meese began his report recognizing the AAFMAA team for navigating a challenging environment caused by the COVID pandemic. He noted that

compassionately helped those Members’ families receive their Survivor Benefit Plan payments, burial allowances, VA benefits, and all other entitlements — and finally, AAFMAA life paid \$81.3 million in total benefits to military families in 2020.

BG Meese shared that AAFMAA is dedicated to reaching even more servicemembers and their families who would benefit from AAFMAA Membership, citing that AAFMAA has developed partnerships with organizations that do great things for the military and Veterans. He noted that AAFMAA recently partnered with Team Red White and Blue (www.teamrwb.org) — founded in 2010 to enrich the lives of Veterans through social and physical activities.

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142ND ANNUAL MEETING MINUTES

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BG Meese then introduced LTC Mike Erwin, USAR, the Executive Director of Team RWB, who provided comments about the partnership and the connection of supporting the military and families AAFMAA and Team RWB provide. He recognized that where AAFMAA helps Members with their financial fitness, Team RWB helps their physical and mental fitness.



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

LTC Mike Erwin, USAR (at left) with GEN Dennis J. Reimer (USA, Ret.)

COL Perez began by pointing out that instrumental to AAFMAA's ability to serve our Membership is serving as good stewards of the Association's resources so that we can meet our obligations many years into the future. He shared: In 2020, AAFMAA consolidated asset management under AWM&T. The AWM&T Investment Team now provides institutional asset management for all of AAFMAA's fixed income and equity securities. Similarly, AMS assumed management of AAFMAA's residential and commercial real estate loan portfolio. AAFMAA Property LLC (AP) continues to manage AAFMAA's real estate equity investments and as an added benefit to the Association, provides and manages the facilities for AAFMAA operations in Reston, VA and Fayetteville, NC.

COL Perez then presented a chart of AAFMAA's summary of assets as of 31 December 2020 and discussed it, pointing out that AAFMAA invests for the long-term using a relative value approach and maintains a well-diversified portfolio. He indicated that the portfolio includes not only fixed income, common to most insurance companies, but also equity investments and investment in real estate property and mortgages.



COL Carlos Perez (USA, Ret.)

As of year-end, he noted, AAFMAA's admitted assets totaled \$1.3 billion, with nearly half comprised of fixed income securities which provide stable, predictable cash flows to meet our long term obligations to policy holders. Total Return on Assets, which includes unrealized gains, was 11.4% for the year; the Net Yield on Assets was 3.8%, he said.

Next, COL Perez reviewed AAFMAA Crediting Rates. He indicated that 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 our Members' whole life policies, enabling that cash value to grow. The table, Perez said, summarized AAFMAA's current Crediting Rates. He then shared that "AAFMAA's returns (Net Yield on Assets), coupled with today's economic factors, allow AAFMAA to provide industry-leading crediting rates ranging from 4.25% to 4.75% for its whole life products in 2021. These include Value Added Whole Life, Wealth Builder Life Insurance, and **ANNUITY**Life®." He indicated that offering different crediting rates is a standard industry practice and better matches the time horizons of AAFMAA's obligations to the investment assets necessary to meet those obligations.

COL Perez went on to summarize the income statement for the year ended 2020. Revenue in 2020 was nearly \$106 million. "AAFMAA's primary revenue sources are premiums and investment income, coming in at about \$54.5 and \$42.3 million, respectively. And, AAFMAA's primary expense is death benefits paid out on policies, which was \$73.7 million in 2020." AAFMAA closed the year with a net income of \$1,046,555 after paying out over \$73 million in death benefits and returning nearly \$6.5 million of cash value back to its Members.

COL Perez reminded the Membership that AAFMAA's financial highlights are available in the 2020 Annual Report, which is sent to every Member and is available online at AAFMAA.com. He concluded his report 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 then concluded the President's Report. A motion to approve the President's Report was made and seconded. The President's Report was approved unanimously.



BG Michael Meese (USA, Ret.)

GEN Reimer then called for the report from the Secretary and Chief Operating Officer LTC Jerry Quinn (USAR). LTC Quinn reported to the Membership

that each year the Board directs the convening of a Nominating Committee to represent the Membership in nominating Board Members for election and re-election. This year, the nominating committee was: COL Mark D. Troutman (USA, Ret.), Committee Chair, BG Michael D. Phillips (USA, Ret.), Member, and COL Roland F. De Marcellus, Member. The Association thanked the Nominating Committee for their time and effort. The committee nominated: MG John G. Ferrari, (USA, Ret.), Brig Gen Jonathan D. George, (USAF, Ret.), GEN Dennis J. Reimer, (USA, Ret.), Lt. Col. Robert W. Schroder, (USMC, Ret.), LTG Guy C. Swan, (USA, Ret.).

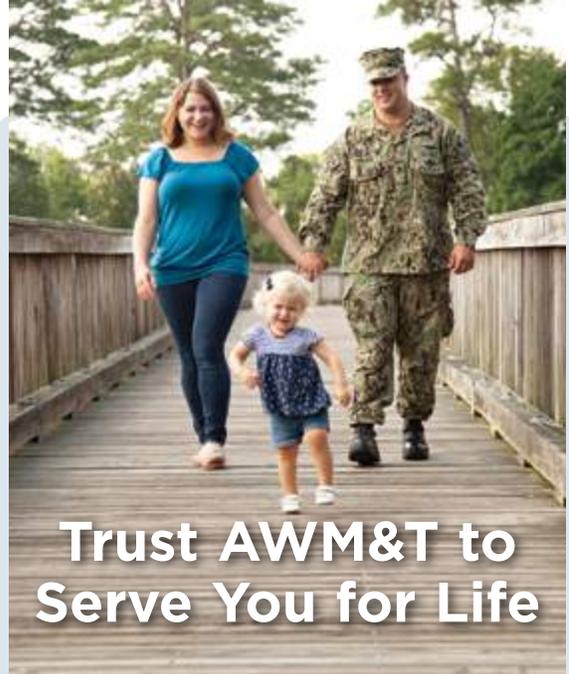
Additionally, two proposals to update the AAFMAA constitution were presented to the Membership: The first proposal updated previous language to better reflect current practices that some individuals become AAFMAA Members through AAFMAA-provided services other than life insurance, including those from AAFMAA Wealth Management & Trust LLC or AAFMAA Mortgage Services LLC.

The second proposal reduced quorum thresholds so that the Members and the Board of Directors could take necessary actions more readily.

LTC Quinn then concluded that proxies were received, duly counted and certified by an independent proxy service. A motion to close the nominations, elect the nominees and accept the constitutional proposals was made and seconded. All nominees were elected by the Membership and their terms will continue until the Annual Meeting in 2025. Also, both proposals for the constitution passed and will be incorporated into AAFMAA's governing document going forward.

GEN Reimer then congratulated the Directors and reminded the Membership that Directors serve without compensation and represent the Members.

He then asked for any new business to be brought before the meeting. There being none, he adjourned the 142nd Annual Meeting of AAFMAA at 1242 hours.



Trust AWM&T to Serve You for Life

What compelled you to serve? When you answered the call of duty and signed on the dotted line, you placed your trust in the military to provide a certain quality of life complete with integrity, benefits, and stability.

While serving, you experienced a sense of purpose, camaraderie, community, and trust in your fellow brothers- and sisters-in-arms. You sacrificed time away from loved ones during TDYs and deployments, and earned your keep in a way that most civilians will never comprehend. The military wasn't a job, it was a lifestyle.

"Like my fellow soldiers over the years, I know that they have my back!"

AAFMAA MEMBER

Much like tactical gear, money is simply a tool to protect you, serve you, and take you where you want to go. Each LES brought the potential for a financially successful future for your family. Today, having healthy, robust finances are mission-essential, and who you trust to manage your family's wealth matters.

Many of us at AAFMAA Wealth Management and Trust have worn the uniform. Others have held down the homefront as a military spouse or dependent. We speak your language and understand the unbreakable ties and required levels of trust that accompany military service.

Thank you for trusting AWM&T to develop your family's financial strategy. For nearly a decade, we have served Members like you with comprehensive financial planning, investment management, and trust administration services.

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AWM&T

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Our goal is to protect your military family, secure your legacy, and empower you to achieve your financial mission for generations to come. Our full suite of services includes:

> Financial Planning Services

Define your goals for your family's financial future and create the road map that gets you there. Do you have sufficient life insurance? When do you want to retire? Have you set aside enough money for college costs? We help you anticipate these and many other issues and plan for bumps in the road you haven't even considered.

> Investment Management Services

Your investment team manages an ongoing process of understanding your financial goals, determining your optimum portfolio, then monitoring and adjusting as necessary over time. No matter what you deem important — a comfortable retirement, income generation, a legacy for your heirs, or support for your favorite charity — we can create and manage the right investment portfolio for you.

> Trust Services

Trusts provide asset management and distribution control. Whether looking for a current trustee, one to step up in the future, a co-trustee to serve alongside a family member, or a professional resource to work with, AWM&T works with you to help ensure your plans are carried out.

"At AAFMAA Wealth Management they know what it means to serve, which [is] why they make it their mission to serve you."

MARIKA L., NEW YORK

Make sure your finances are serving you well. Connect with your AAFMAA Wealth Management & Trust Relationship Manager at 910-307-3500 or wealthmanagement@aafmaa.com.

VETERAN BUYS HER FIRST HOME:

Meet Jackie Iverson

Iverson grew up in Washington, D.C. and joined the Army in 1997. She served as a 92A, Automated Logistics Specialist responsible for scheduling, maintaining and ordering parts for Tactical Wheeled Vehicles, Nuclear Biological Chemical (NBC) Protective Equipment, and Weapons. She also served as a Combat Lifesaver in Kaiserslautern, in Southwestern Germany.

After she left the service in 2001, Iverson moved to Monterey Bay, in Northern California, where she earned her bachelor's degree in Communications with a minor in Social Action and Creative Writing using the GI Bill. From there, she moved to North Carolina, and then back to D.C.

Her next move was a pivotal point in her life. "I've always wanted to own a house and, when the COVID-19 shutdown started, I decided I needed some stability," she tells us. "I wanted to retire and live in a home of my own in a community I loved."

Iverson had decided it was time to leave the "nomad lifestyle" of her military life behind and put down some permanent roots. After some careful consideration, she chose Atlanta, Georgia. Then she contacted AMS to help with obtaining a mortgage.

Road to Homeownership

In late 2020, Iverson was referred to AAFMAA Mortgage Services LLC (AMS) by her Army buddy who uses AAFMAA life insurance and wealth management services. "My best friend, an AAFMAA Member for some time, said, 'Call these guys. Whatever needs to be done for you to purchase a home, they'll guide you through it and help you get to the best outcome.'"

She then reached out to Scott Betz, a Military Mortgage Advisor in the AMS Wilmington, North Carolina office.

Betz reviewed Iverson's credit and finances and together they created a plan that put her in the best position to get a great mortgage interest rate. Within weeks, she'd purchased a three-bedroom single-family home in an Atlanta suburb. Because Iverson has a service-connected disability, she saved about \$10,000 in VA funding fees and will not have to pay Georgia state taxes on the property.

"It's been such an exciting change," Iverson says. "This is my dream, and I'm grateful to AMS for helping me to get here."





In Her Own Words

Iverson was so pleased with her experience that she expressed her appreciation to AMS's Scott Betz and Kevin Crooks, writing:

"...thank you, Kevin Crooks and your entire team. I am absolutely thrilled to say that I love my new home! I was not only able to find a beautiful home, but you helped me purchase my dream house. I would especially like to thank Kevin and Scott who went above and beyond to make my dream of homeownership come true."

She also has something to pass on to her fellow AAFMAA Members: "[If you're] thinking about buying a home, whether you have everything together or you don't, reach out to AMS. They will guide you through everything and explain the process as it happens so you'll know what to expect. And they'll stick with you in the trenches until you've got those keys in your hand."

To learn more about AMS or to get in touch with one of our Military Mortgage Advisors, call us at (877) 387-6856. Or visit us online for more information and view all disclaimers at www.aafmaa.com/mortgage.



NMLS# 1423968



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, document storage, 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

Two-Factor Authentication in the AAFMAA Member Center



Your security is our top priority. That's why we incorporated two-factor authentication into the AAFMAA Member Center login experience. This new process is simple. Just go to the Member Center login page (connect.aafmaa.com) as usual and select "email" or "text" to receive an authentication code. Enter the code into the code authorization field and you're in!



Are You Making the Most of Your Membership?

2022 Calendar Cards **Available** on Request

To request your complimentary 2022 AAFMAA calendar card or magnet, email calendars@aafmaa.com or call (703) 707-1165 with your selection, Member information, and desired delivery address so we can promptly mail it to you.



Share Your AAFMAA Experience, Help Your Military Community

You are at the heart of everything we do. Please help us provide the superlative personal service you and your fellow members of the military community deserve by rating the quality of your experience as an AAFMAA Member on [Trustpilot](https://www.trustpilot.com).

By providing your honest insights on the value AAFMAA has given you throughout your Membership, you can help others make important decisions about how to protect their families, while helping us improve our ability to serve you and them. We assess every review we receive and we're committed to addressing any negative review directly in order to ensure all Members receive excellent care.

To share your AAFMAA experience, simply go to www.trustpilot.com/evaluate/www.aafmaa.com.

Think back on what our services have meant for you, enter your opinion, and you're done. Thank you!

