

eNewsletter

Upcoming January/February Events:

- 01/24/15: Family 5k at Fort Bragg, NC
- 01/28-01/29/15: Marine West Exposition at Camp Pendleton, CA
- 02/04/15: USO Y.U.M. Lunch for active duty junior enlisted at Joint Base Myer-Henderson Hall
- 02/21/15: Family 5k at Fort Bragg, NC



AAFMAA employees serve lunch to soldiers during USO's Y.U.M. lunch program in November at Joint Base Myer-Henderson Hall in Arlington, VA.

Welcome to the eNewsletter

Hello, and welcome to the new, monthly AAFMAA eNewsletter. Every month we'll be offering you useful and relevant articles and information relating to life insurance, military benefits and entitlements, financial planning, investment management, trust administration services, AAFMAA in the Community and some other fun facts. The article summaries included in the emails will lead you to the full stories which will reside on AAFMAA's website. We hope you find this newsletter informative, as well as a good resource to stay connected with AAFMAA. Here's to a great 2015!

Permanent Insurance for Permanent Needs

By: BG Michael Meese (USA, Ret.), AAFMAA COO and Secretary

Benjamin Franklin was the first of many to say, "In this world nothing can be said to be certain, except death and taxes." Permanent life insurance is a sure way to address the certainty of death—and it can actually help a bit with taxes too!

Most AAFMAA policy holders under 60 have term insurance (such as AAFMAA's [Level Term I](#), [Level Term II](#) or [Renewable Term insurance](#)). Those policies are great because they provide a relatively large death benefit for the lowest possible premium—much less than comparable SGLI or VGLI policies in nearly every case. They provide a large amount of insurance protection against the loss of income when someone is in their prime earning years.

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Did you know?

AAFMAA created SpouseLink.org in 2011. SpouseLink was created to support, inform and inspire Military Spouses around the world.



Permanent Insurance for Permanent Needs *(continued)*

Nearly everyone, however, also needs insurance after those term policies expire. That is where permanent or “Whole Life” insurance comes in. Whole life insurance has no expiration date—it will cover you and pay your beneficiaries whenever you die. Everyone has final expenses: funeral costs, legal bills, distributing property, debt settlement, required taxes, and other expenses. Whole life insurance ensures that funds will be immediately available so that your family won’t have a financial burden when you die.

Whole life insurance, especially [AAFMAA’s Value Added Whole Life policy](#), also provides other substantial advantages. Value Added Whole Life policies build cash value every month, currently receiving AAFMAA’s high crediting rate of 6.5% in 2015 (not guaranteed). As your cash value grows, you can borrow up to 75% of your policy’s cash value as a tax-free loan. The premiums for a whole life policy are fixed and can never be increased. The Death Benefit is guaranteed and, depending on the cash value growth of the policy, can even increase over time. And the death benefit generally passes tax free to your beneficiaries.

Beyond those characteristics of whole life, AAFMAA’s Value Added Whole Life has three unique features that are particularly valuable:

- 1.) In addition to the high crediting rate, AAFMAA provides a 100% money-back guarantee throughout the life of the policy. Unlike many other companies with high surrender charges, AAFMAA will refund 100% of all premiums paid or provide you the cash value of the policy—whichever is greater! There are no surrender charges.
- 2.) AAFMAA whole life policies also have a Long Term Care Settlement Option. With an AAFMAA whole life policy, if you have a chronic illness, you can have your entire death benefit paid out—while you are still living. This is permitted to be paid tax free, up to the IRS limit (currently \$330 per day). Some AAFMAA members find that considering whole life insurance, with a long term care settlement option, is a great alternative or supplement to long term care insurance. (See <http://www.aafmaa.com/BrowseProducts/LifeInsurance/LongTermCareSettlementOption.aspx> for more details)
- 3.) Finally, the most important reason for permanent insurance is so that your family will have AAFMAA’s exclusive Survivor Assistance Services to ensure that they receive all of their benefits, no matter when you die. For all members with life insurance policies, AAFMAA’s Survivor Assistance experts will work with Social Security, the Veterans Administration, DFAS, and others to ensure that your family gets everything that they deserve.

It is for all these reasons that members frequently retain their large term insurance policy to protect against loss of income and then get a smaller whole life policy (from \$10,000 to \$100,000) to ensure that they have permanent protection for a life time. It makes good financial sense to start your whole life policy now—when your age and good health will usually get you the best rate. For example, for a male getting a \$25,000 whole life policy, a 30 year old would only pay \$17.05 per month. That rate would climb to \$31.25 at age 45, to \$48.30 at age 55, and \$75.15 at age 65. So it is much better to start early. AAFMAA also has plans where you can pay just a bit more per month so that the policies are completely paid for after just 20 or 30 years.

Permanent life insurance should be an essential part of everyone’s financial plan. It will ease the financial stress when you die and provides important benefits while you are alive. You can get a quote and apply on line at www.aafmaa.com or contact a membership coordinator at (877) 398-2263 or sales@aafmaa.com for more details.

AAFMAA in the Community



AAFMAA representatives including, COO and Secretary, BG Michael Meese (USA, Ret.), VP of Marketing, CMSgt Brady Gruler (USAF, Ret.), and President of AAFMAA Wealth Management & Trust LLC, Rick Convy, volunteered at USO-Metro's Project Elf.

USO's Project Elf

AAFMAA and SpouseLink.org sponsored USO's Project Elf at Fort Belvoir, VA in December. Project Elf helps provide gifts to military children in need during the Holiday season.



AAFMAA Board Member, Rear Adm. Janice Hamby (USN, Ret.), accepted the game ball along with COO and Secretary, BG Michael Meese (USA, Ret.), and AAFMAA Benefits Advisor, LCDR John Sledgianowski (USN, Ret.). The game ball was presented by Chet Gladchuck, Naval Academy Athletic Director.

Navy Football

On November 15, 2014 AAFMAA was the game day sponsor at the Navy vs. Georgia Southern football game in Annapolis, MD. During the game, midshipmen had the opportunity to learn more about AAFMAA. Midshipmen also had the opportunity to sign up for **AAFMAA's Introductory Membership** which includes a free \$5,000 term insurance policy available exclusively to midshipmen and cadets.

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