

QUARTERLY NEWS DIGEST

Vol. 26, No. 1

"An Injury To One Is The Concern Of All"

June, 2011

❧ SPECIAL APW-ABA BENEFITS EDITION ❧

**Coming to YOUR postal facility beginning June 2011
& from June 1, 2011 thru July 31, 2011 by calling toll-free
1-855-APW-3ABA
(1-855-279-3222)**

Dear Brother and Sister:

We sometimes forget the benefit of unionism! We are pleased to announce the APW-ABA has partnered with Unum, Sun Life, USI – Affinity and the Buckley Group to provide additional benefits for *APWU Members, Associate Members, Retirees and Spouses*.

YOUR 100% member owned and operated APW-ABA has got you covered with benefits that last a life time and provide critical financial assistance when you and your family are most in need.

In addition to the Value, Advantage and Plus programs members are currently eligible for, you will now have access to \$50,000 in affordable **Whole Life Insurance** and additional **Extended Accident Insurance**.

Whole Life Insurance coverage enables members to provide financial security for their loved ones in the event they are no longer here to provide for them. Features* include...

GUARANTEED ISSUE up to \$50,000.00

NO physical exam or medical questions!

Living Benefit option if diagnosed with a terminal illness!

With advance up to 100% of benefit!

Guaranteed rate of 4%!

Accident Insurance In addition to the Value/Advantage accident coverage with daily benefits you now have the expanded accident coverage which provides benefits for covered accidents that occur on and off the job, 24 hour coverage. This coverage provides a lump sum benefit based on the type of injury you sustain or the type of treatment needed...so trips to the emergency room or doctor's office for such injuries as broken bones and burns are covered. The best of all worlds!

Any questions about YOUR present benefits or these exciting new union benefits or the enrollment schedule, please give us a call at 1- 800-526-2890.

Fraternally,

Mike Ganino
National Director

Dave Daniel
Asst. National Director

365 Days of Coverage at \$12 per Day Value Plan or \$24 per Day Advantage Plan

- 7 Days per Week • 24 Hours per Day • 365 Days per Year • At Work or Home • On or Off the Job
- Pays Regardless of Any Other Coverage • Tax Free Benefits Paid Directly to You

**Now featuring expanded Accident and
Accidental Death plans, and Whole Life Insurance
with NO medical questions or physical!**

All at a Cost of Only Pennies per Day!

A M E R I C A N P O S T A L W O R K E R S



A C C I D E N T B E N E F I T A S S O C I A T I O N

New Benefits Help Your Family Secure Their Financial Future

We are pleased to announce that beginning in the spring of 2011, we will be partnering with Unum to deliver Interest Sensitive Whole Life Insurance and additional comprehensive Accident benefits to widen the circle of protection for you and your loved ones. As your family grows, and your needs change, you can increase your level of coverage and carry all benefits into your retirement.

Life insurance coverage and Accident plans are a critical component of your family’s financial planning to ensure that your family is secure in the event of an unforeseen accident.

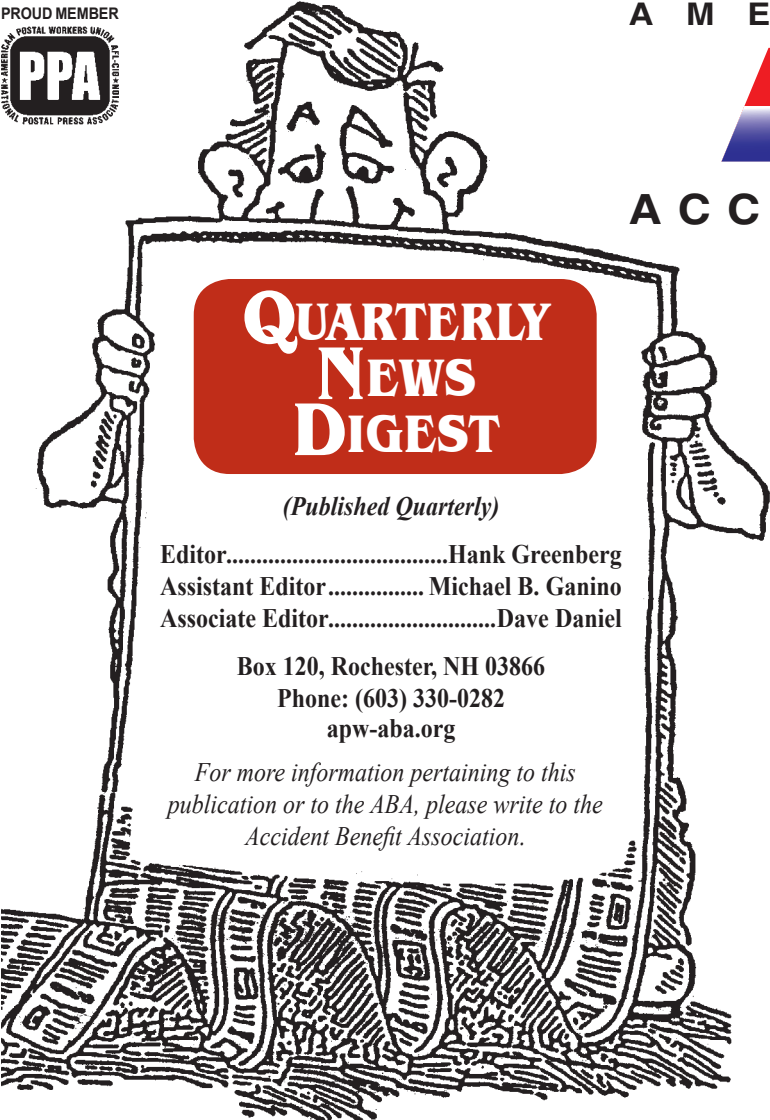
They can help protect important things like your income and your assets if you become sick or injured and can’t work. They also can help defray the cost of expenses that aren’t covered by your health insurance, like co-pays, deductibles and other out-of-pocket expenses.

The APW-ABA is pleased to bring new enhanced coverage options to help protect your family. In addition to the ABA Plus plan, you now have access to Accident Insurance and up to \$50,000 of guarantee-issue whole life insurance through our partnership with Unum. The benefits described in this Special Edition of the *Quarterly News Digest* can build on the benefits already provided by APW-ABA, giving you the additional protection you and your family may need.

Keep in mind that you get more competitive rates than you could get anywhere else with this exclusive offer to APWU members. We encourage you to take a look at the information and speak to a counselor in an upcoming worksite session so you can make informed choices about these benefits and the right package for you.



Look down the road to protect your family's future!



QUARTERLY NEWS DIGEST

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For more information pertaining to this publication or to the ABA, please write to the Accident Benefit Association.

A M E R I C A N P O S T A L W O R K E R S

APW ABA

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Average Benefits Paid for 2010

YOUR Membership Owned & Operated Fraternal Benefit Fund

Currently, the American Postal Workers Accident Benefit Association Value Plan offers a \$6,000 accidental death benefit, a \$2,000 accident death benefit for your spouse and each of your children, dismemberment benefits and also \$12 a day for up to one full year

in the event of an accidental injury—All for \$0.037 per day. You may also increase your accidental death benefit by using the ABA Plus Program which offers upgrades to \$20,000, \$30,000, \$40,000, \$50,000, \$75,000 or \$100,000.

DISABILITY ACCIDENT BENEFIT

Current Average Benefits Paid vs Premium Cost to Members

Plan Type with Daily Benefit	Average Length of Absence	Average Paid Claim	*100% Local 1 Year Premium	Individual 1 Year Premium
Active Members				
Value Plan @ \$12.00 per day	68 days	\$816.00	\$15.60 (4.3 cents per day)	\$26.00 (7.1 cents per day)
Advantage Plan @ \$24.00 per day	49 days	\$1,176.00	\$52.00 (14.2 cents per day)	\$65.00 (17.8 cents per day)
Retirees**				
Value Plan @ \$12.00 per day	49 days	\$711.00	N/A	\$27.00
Advantage Plan @ \$24.00 per day	59 days	\$1,187.00	N/A	\$68.40
Spouses				
Value Plan @ \$12.00 per day	90 days	\$1,024.00	\$15.60	\$26.00
Advantage Plan @ \$24.00 per day	53 days	\$1,187.00	\$52.00	\$65.00

*Locals that sign up every member through DCO ** Retirees paying annually receive one month free

Why Consider Whole Life?

Whole Life Insurance Offers Reliable Income Protection

Interest-sensitive whole life insurance is able to provide an additional source of financial protection for your working years and provide options for your retirement.

The inherent advantage of interest-sensitive whole life insurance is that the policy never expires as long as premium payments are maintained. This means there is no worry about renewing the life insurance policy every 10 years, as is the case with term life insurance.

Another advantage is that an interest-sensitive whole life policy can build cash value based on the current interest rate and is guaranteed to earn the minimum 4%. If you choose, you can use the accumulated cash value to buy a smaller "paid-up" policy with no more premiums due, or cash in the policy at any time.

If you are actively at work for a minimum of 20 hours per week, you can sign up during APW-ABA Accident Benefit Association's enrollment period and apply for up to \$50,000 of guaranteed issue whole life insurance, with no medical exams and no health questions.

You own the policy and can take it with you if you leave the company or retire.

It's possible to add an interest-sensitive whole life insurance policy on top of an existing term policy.

How Much Life Insurance is Enough?

Most experts estimate that your life insurance coverage should be equal to a range of five to eight times your annual income. However, everyone's needs are different.

Add up current expenses, which might include your mortgage or rent, car payment and credit card debt.

If you have children, childcare expenses will likely go up if your spouse has to work more to make ends meet.

Future needs include things like college tuition and your spouse's retirement. In the end, you need to balance your family's financial needs with the amount of premium you can afford.

Who's at Risk?

- 68 million Americans have no life insurance and those with coverage have far less than most experts recommend.¹
- 56% of married couples with children under 8 say they need additional life insurance.²
- 39% worry about making the wrong decision when choosing life insurance.²

¹ Life and Health Insurance Foundation, "Why Devote a Month to Life Insurance Awareness?" September 2007.

² LIMRA, "Facts About Life" Fact Sheet, September 2007.

FAMILY COVERAGE OPTIONS

As a unique benefit of your APWU membership, Unum has also made this whole life insurance coverage available to your spouse, based on a simple qualifying health question, even if you don't apply for your own policy.

Coverage is also available for your children and grandchildren age 14 days through 24 years (14 in NY). Interest-sensitive whole life is available as a standalone policy, or a children's term rider can be attached to your policy – or your spouse's policy – if you are less than 65 years old.

LIVING BENEFIT OPTION

Another unique feature of the new APW-ABA program is a Living Benefit Option that is automatically included at no extra charge on all policies. If you are diagnosed with a medical condition that limits life expectancy to 12 months or less, you can request up to 100% of your policy's death benefit be paid to you in advance. Any payout would reduce the death benefit your beneficiaries would receive, but the early payment option could bring great peace of mind to you should the need arise.

Accident Insurance Reduces the Financial Strain of an Injury

New Benefit Compliments Current AD&D Coverage

Someone is injured in an accident about every two seconds and half of those accidents happen right at home.

Quite often, the financial pain lasts long after the physical discomfort goes away.

The Accident Insurance offered by the APW-ABA allows you to cover your spouse and children, as well. Considering that injury is the leading cause of medical spending for children ages 5 to 14 (according to the National Safe Kids Campaign), this is a feature that offer real value for many.

Most people don't realize that even if you have good medical insurance, the cost of an accident can be financially debilitating. Unexpected costs include:

- Emergency room co-pays
 - Lost wages while out of work
- Deductibles
 - Rehabilitation expenses

For instance, a broken arm can cost you more than a thousand dollars in medical expenses regardless of whether you have medical insurance.

The American Postal Workers Accident Benefit Association is now offering Accident Insurance that reduces the financial impact if a serious accident happens to you. This Accident Insurance complements the Accidental Death and Dismemberment (AD&D) Insurance already offered by the APW-ABA.

If you're injured in an accident, the insurance pays you directly. This new coverage option covers such things as fractures, burns, concussions, serious lacerations and even broken teeth.

Who's at Risk?

- Three out of every ten employees between ages 35 – 65 will be out of work three months or longer due to an accident or illness. ²
- American employers lose 80 million days' worth of productivity per year due to disabling injuries in the workforce.³
- 3.4 million children under the age of 14 are treated in the ER for injuries incurred in the home.*
- Injury is the leading cause of medical spending for children ages 5 to 14.*

¹ National Safety Council, "Injury Facts," 2005-2006 edition, page 25.
² Commissioners Individual Disability Table A, Society of Actuaries, 1985.
³ National Safety Council, "Report on Injuries in America, 2005-2006," page 51.

(Cut this out, save it, and bring it with you when our Representative comes to your facility to meet with you)



Welcome to the APW Accident Benefit Association's fraternal benefit program providing Accidental Death & Dismemberment (AD&D), Accident, and permanent Whole Life Insurance coverage for you and your family.

This flyer is not a complete description of plan provisions but is intended to be an overview of the benefits available through your APW Accident Benefit Association.

Additional benefits are available for Accidental Death coverage. You may now elect to enroll in or increase your current level of benefits to the following:

Member & Associate Member
\$20,000, \$30,000, \$40,000, \$50,000, \$75,000 or \$100,000

Retirees & Spouses
\$20,000, \$30,000, \$40,000 or \$50,000

Spouse and Unmarried Dependent Children (up to age 26) with automatic enrollment upon effective date of your coverage: \$2,000 each

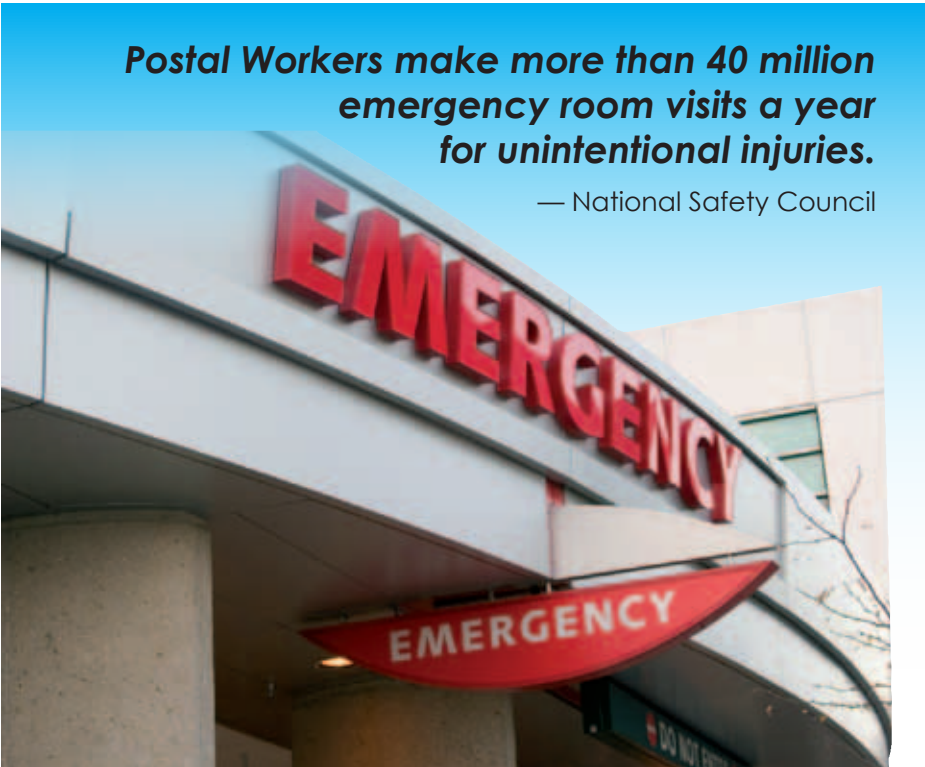
APW-ABA MEMBER PLAN OPTIONS	Pay Period Deduction	Cost per Pay Period to Add Increased Coverage Shown Below					
		\$20,000	\$30,000	\$40,000	\$50,000	\$75,000	\$100,000
100% ABA LOCAL							
VALUE PLAN (Includes \$6,000 AD&D)	\$.60	\$.35	\$.45	\$.60	\$.75	\$1.13	\$1.50
ADVANTAGE PLAN (Includes \$10,000 AD&D)	\$2.00	\$.35	\$.45	\$.60	\$.75	\$1.13	\$1.50
NON 100% ABA LOCAL							
VALUE PLAN (Includes \$6,000 AD&D)	\$1.00	\$.35	\$.45	\$.60	\$.75	\$1.13	\$1.50
ADVANTAGE PLAN (Includes \$10,000 AD&D)	\$2.50	\$.35	\$.45	\$.60	\$.75	\$1.13	\$1.50
RETIREE ANNUAL RATE							
VALUE PLAN (Includes \$6,000 AD&D)	*\$27.00	\$9.10	\$11.70	\$15.60	\$19.50	N/A	N/A
ADVANTAGE PLAN (Includes \$10,000 AD&D)	*\$68.40	\$9.10	\$11.70	\$15.60	\$19.50	N/A	N/A

* Members will receive one (1) month free if Value or Advantage Plan premiums are paid annually in full.

Special Features of the APW-ABA Extended Accident Plan

Accident insurance can help cover the extra costs that can occur when you, your spouse or your children suffer a covered injury – like those that can happen during a game of pick-up basketball or when your kids go rollerblading.

- No health questions to answer – You will automatically receive the base plan if you apply.



- Guaranteed renewable – As long as you pay the premiums on time, your base coverage is guaranteed renewable for life – policy provisions can’t be changed.
- Lump sum benefit – You will receive a predefined benefit based on the injury or qualifying event.
- Family coverage – Employees age 17 to 80† who are actively at work (*see information at the back of the booklet*) for a minimum of 20 hours per week are eligible to apply.
- Spouses age 17 to 80† are eligible to apply if they are not disabled.
- Dependent children who are between 14 days through 24 years old are eligible.
- Premiums are automatically deducted from your paycheck.
- Coverage becomes effective on the first day of the month in which payroll deductions begin.
- You own the policy and can take it with you if you leave the company or retire. Unum will bill you at home for the same premium amount.

Remember, unexpected accidents always have lousy timing. Take advantage of this easy to obtain, comprehensive coverage through the APW-ABA and speak to an enrollment counselor coming soon to your worksite.

(Cut this out, save it, and bring it with you when our Representative comes to your facility to meet with you)

If You Have an Accident, Will It Hurt Your Bank Account Too?

Benefits that pay for covered accidents while you are on the road to recovery. Unum’s coverage provides a lump sum benefit based on the type of injury (or covered incident) you sustain or the type of treatment you need.

- Examples of covered injuries include: broken bones, burns, torn ligaments, concussion, eye injuries, ruptured discs, cuts repaired by stitches
- Some covered expenses include: emergency room treatment, doctor office visit, hospitalization, physical therapy

See schedule of benefits for full list of covered injuries and expenses.

Member Dues:	_____	
Value Plan Benefit:	_____	Deduction Amount: _____
Advantage Plan Benefit:	_____	Deduction Amount: _____
Plus Plan Benefit:	_____	Deduction Amount: _____
Whole Life Benefit:	_____	Deduction Amount: _____
Extended Accident Plan Benefit:	_____	Deduction Amount: _____
Date Deductions Begin:	_____	

Could Your Family Members Maintain Their Lifestyle Without You? Unum’s Permanent Whole Life Insurance Can Help

Three reasons to buy this coverage through the APW-ABA:

- You get affordable rates when you buy this policy through the APW-ABA. The premiums do not increase with age.
- You own the policy so you can keep it even if you leave the APW-ABA or retire. Unum will bill you directly for the same premium amount.
- Coverage becomes effective on the first day of the month which payroll deduction or bank draft begins.

- Accumulates cash value guaranteed at a rate of 4%. You can borrow from the cash value or use it to buy a reduced policy with no more premiums due.
- Living Benefit Option Rider: You can request an advance, up to 100% of the benefit amount if you’re diagnosed with a terminal illness limiting life expectancy to 12 months or less.
- Requires no physical exam – During enrollment, you can get this insurance up to **\$50,000** without taking a health exam. You will be asked health questions if you apply for amounts above \$50,000.

Permanent whole life insurance is offered to all APW-ABA Members, Associate Members, Retirees and Spouses working for hire or volunteering a minimum of 20 hours per week between the ages of 15-80. You must be actively at work for hire or volunteering at the time of application. Features that add value include:

Spouses are eligible for Conditional Guaranteed issue amounts based on the answers to a few medical questions. The amounts available vary by age.

DID YOU KNOW?

By Michael B. Ganino, National Director

Being retired for about four (4) years after a 36 or so year postal career, I know the importance of the USPS/APWU negotiated "group life insurance program" which automatically provides us with not only term life insurance for the duration of our employment but the ability to upgrade this insurance by many varying multiples which then can be converted very inexpensively when you retire.

NOT realizing that great "group life" insurance is only temporary and it comes to an almost complete end when you reach the age of 62, I was left wondering what I could actually do to "insure" my family's protection and well being into the future. Coming late in life, I did not realize the price I would have to pay and that was if I could even medically qualify. I found the options out there for me as well as you, are quite limited and in many instances, almost non-existent.

"Term life" can be an inexpensive option for coverage. These policies have a level premium rate for the period written (10 or 20 years) and can then increase substantially if you want to maintain them for a longer period of time. If you are like me, and have certain medical conditions, this may prove to be very costly and you may also be turned down for coverage based on your medical history.

"Whole Life" is typically more expensive than term insurance because the assumption is you'll keep the policy for your "whole life" and not just for a few years. The death benefit is guaranteed to be there regardless of when you die. Whole life policies build guaranteed cash values that may have many purposes over your lifetime. They often become viewed as an emergency fund or a potential supplement to retirement income.

Not left with many avenues to explore I began searching for options available to both myself & my family. Having searched for two (2) years I came to an abrupt halt! My goals remained the same and I needed access to insurance that was:

- PERMANENT • OWNED BY ME
- INEXPENSIVE
- NO MEDICAL QUESTIONS • NO PHYSICAL EXAM

Working on behalf of the membership as the National Director of the APW Accident Benefit Association has allowed me a bit more latitude in my search and I eventually gained access to service professionals who were sensitive to the needs of the APWU membership having the wherewithal to provide us access to benefits.

FOR THE GOOD OF THE MEMBERSHIP

By Dave Daniel, Asst. National Director

Your APW-ABA is proud to be able to announce to you new and exciting benefits. Our offering of a **\$50,000 whole life insurance policy without any medical requirement** is unheard of in the insurance industry. We have also provided expanded accident and dismemberment benefits which enhance our existing **daily tax free** benefits. Our new products are provided in conjunction with our partners Unum, USI, Affinity, Sun Life and The Buckley Group. Our base plans provide the highest daily benefits and the lowest cost in the industry. Our Plus Plan already provides up to \$100,000 additional accidental death coverage. The new products provide additional coverage in AD&D benefits as well as **additional whole life** insurance up to **\$100,000** for active members and **\$50,000** for spouses and retirees.

A year and a half ago I learned on a personal basis why the APW-ABA is such an important benefit. I fell and did serious damage to my right shoulder. I was off for 8½ months. My local, The KYOWVA Area Local is a 100% at the **\$24 ADVANTAGE PLAN** level. This resulted

in a benefit of \$5,760.00 for me. I incurred huge medical bills/co-pays and a loss of the ability to earn overtime and extra income. The benefit from the ABA was a Godsend to me and my family. I will forever be an appreciative poster child for the trilogy of **sick leave, the APWU Health Plan and the APW-ABA**.

I take great pride in the fact that my local holds the membership first in providing the ABA **Advantage Plan** as a 100% local. I take comfort in knowing that my local and all other member centered locals will provide their members with information and assistance when the **APWU-ABA counselors** visit **Postal Facilities in their respective areas**. The ABA remains a non-profit organization which only exists to provide APWU members the highest quality benefits and products at incomparable prices. The ABA is the greatest recruiting tool available to locals. At virtually no cost. More important than that APW-ABA provides benefits that your members deserve and would not or could not acquire on their own. It is all for the good of the membership.

The Difference Between Term and Whole Life Insurance

Term life insurance premiums are typically guaranteed for a pre-determined period of time. When that period expires further coverage may be available but the premiums will be significantly more expensive.

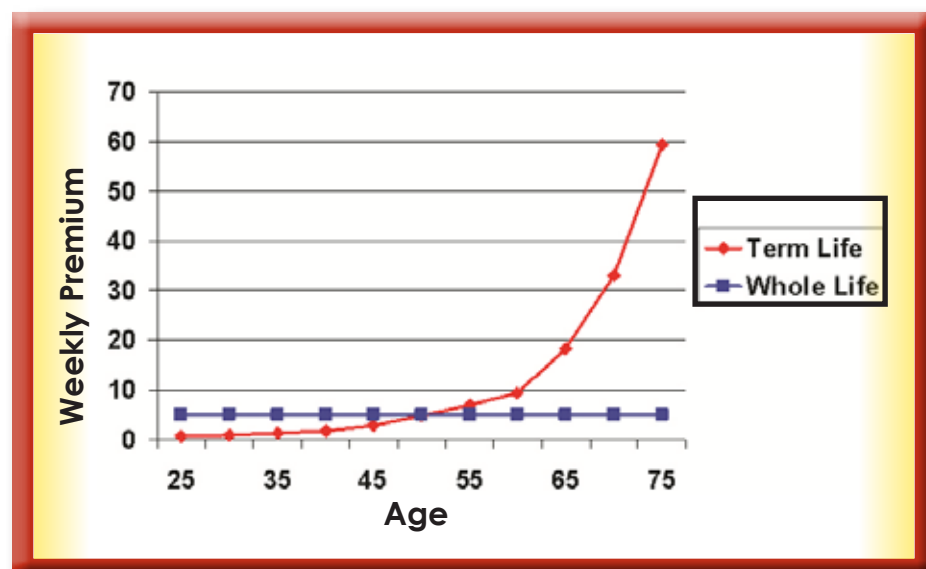
Unlike term life insurance, interest-sensitive whole life insurance doesn't expire (as long as the premium payments are maintained). Furthermore, the premium remains the same for the life of the policy.

The chart on the right shows a comparison between \$45,000 term coverage and equal whole life coverage.

If both are purchased when the insured is 25-years old, the weekly premium for the term coverage is lower than for the whole life. However, the term policy eventually expires and, as the graph shows, renewing the policy will become more and more expensive as the insured gets older.

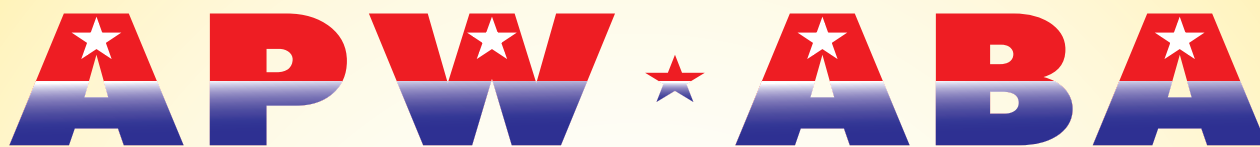
The whole life premium, on the other hand, remains constant throughout the insured's life.

Under this example, the term life premium will be about twice the cost of the whole life insurance when the insured reaches 65.



Get to Know the APW-ABA

A M E R I C A N P O S T A L W O R K E R S



A C C I D E N T B E N E F I T A S S O C I A T I O N

P.O. Box 120 • Rochester, NH 03866 • (800) 526-2890 • www.apw-aba.org



Who We Are

- Founded in 1891 and Incorporated in 1898
- Membership in excess of 73,000
- Owned and Operated by YOU the Members



What We Do

- Provide fraternal benefits to all postal workers who are Members, Associate Members, Retirees and Spouses of the American Postal Workers Union, AFL-CIO



Why We Do It

- To be able to give our brothers and sisters access to an affordable way to purchase tax free benefits that help provide financial security for themselves and their families

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