



Brought to you by Steve Winkels

KNIGHTS OF COLUMBUS

Financial Beacon

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A MESSAGE from your agent

Dear Brother Knight:

During his April 19 homily at St. Patrick's Cathedral, Pope Benedict XVI praised "the remarkable accomplishment of that exemplary American priest, the Venerable Michael McGivney, whose vision and zeal led to the establishment of the Knights of Columbus."

The Pope had approved a decree recognizing the heroic virtue of Fr. McGivney and declared the founder "venerable." If canonized, Fr. McGivney would be the first North American-born priest to be so honored.

During the pontiff's visit, his openness, vitality and charisma dispelled some preconceived notions about his papacy and our church.

The K of C commissioned a poll shortly after the Pope's visit, and a similar poll before the visit.

Here are some key before-and-after comparisons revealed by the poll:

- The proportion of respondents with a favorable view of Pope Benedict jumped from 58 percent prior to his visit to 71 percent afterward.
- 52 percent have a more positive view of the Catholic Church.
- 35 percent say they are now more in touch with their own spiritual values as the result of the Pope's visit.
- About four in ten say they are more likely to lead a moral life and make family a bigger part of their lives.

As your professional agent, I relish my role in a rejuvenated Catholic church, and I welcome the opportunity to protect the families and futures of brother Knights.

Fraternally yours,

Steve Winkels

Fixed-rate annuities: The workhorse of a diversified retirement portfolio

The fixed-rate annuity is the workhorse of retirement funding. It carries your hard-earned harvest of funds safely over the last stretch, delivering them in monthly installments that you can't outlive. Not all annuity products are the same animal, however.

Here are a few questions you should ask about annuities, to make sure it takes its rightful place as a conservative segment of a diversified retirement portfolio:



Are the principal investment AND the interest returns guaranteed?

Never confuse a fixed-rate annuity with a variable annuity. Some variable annuities guarantee the principal, but many don't. Also, variable annuity returns are tied to stock or bond funds, which means that the sales pitches you'll see can only offer a *projected* growth.

What kind of fees are charged to my account?

Administrative fees can siphon a considerable amount of growth potential from your annuity. (Note: *The Knights of Columbus does not offer variable annuities, and does not charge administrative fees on its fixed-rate annuities.*)

Annuities that allow you to shift money from one fund to another, such as in a variable annuity, often include fees charged monthly, annually, per-transaction, or all of these. They may

seem like a small amount at the time, but remember, you're also losing all the compound interest these small amounts would have generated.

If I need to move money from an annuity, how much will it cost me?

You invest in an annuity to generate monthly income for retirement, period. Although some annuities allow small, annual withdrawals with no penalty, never think of an annuity as a rainy-day fund, or as a savings account for big purchases.

But if you have no choice other than to move that money, you are generally charged a surrender fee if the money is removed before a specific number of years. For example, the Knights of Columbus Flexible Premium Annuity surrender period is seven years. Annuities from some providers require a commitment of 10 or even 20 years.

These three questions certainly don't cover everything you need to know before making a decision about annuities.

I'd be glad to talk to you about your personal situation, and whether an annuity is right for you now.

The thing to remember is that a properly diversified retirement plan needs a growth element when you're

young enough for your investment to recover from market downswings, and later, a workhorse like a fixed-rate annuity to bring that capital home safely. ♦

Two types of fixed annuities

The Knights of Columbus offers two types of fixed annuity products:

Flexible Premium Annuity:

Allows periodic payments (called "premiums") of as little as \$50, but does not require payments after the initial premium, which is minimum of \$300.

Vantage Annuity:

Requires a single premium of at least \$25,000.



How to decide whether to mix permanent and term life insurance

Making a decision about buying term life insurance or permanent (also called “whole” or “cash value”) life insurance doesn’t have to be an either-or proposition. In some cases, a combination of both products is a good solution in the short run.

In the long run, converting the term into permanent insurance is often the best strategy.

Overall, permanent life insurance has the most advantages for protecting families from financial hardship, and for preserving retirement assets and estates. The premium never increases, and the

policy builds cash value that grows as long as you live.

Term insurance pays a set death benefit if the policy owner dies during the term period. It costs less than permanent insurance because it costs insurance companies far less—an overwhelming majority of term policies expire before the policy owner dies.

Don't just “rent” your life insurance

The difference between permanent and term insurance is like the difference between buying a house and renting: As time goes on, you’re either building equity, or you’re simply paying someone else for shelter. A combination of permanent and term insurance is like renting while you save up for a house.

Here’s how to determine whether to mix the products, and how much of each to buy (I can help with this process, at no cost to you):

- 1 Calculate the income you’d need to replace if a breadwinner should die. Factor in inflation. This total is your target “face value” of life insurance.
- 2 Plug the cost of permanent insurance for that entire amount into your budget.
- 3 If this premium won’t fit into your budget, replace some of the permanent insurance with term—just enough to hit your target face value at a price you can afford.

Convert term as soon as you can afford to

As you move up the economic ladder, convert the term insurance into permanent insurance. Choose term policies that allow conversions regardless of your health. (*The Knights of Columbus “Discoverer” life insurance plan offers a combination of permanent insurance and convertible term insurance.*)

The sooner you convert, the lower you will lock in your premium rate, and the more cash value your policy can build. If necessary, convert it in chunks of \$10,000 to \$20,000, as your income allows.

These decisions should all begin with a proper assessment of your financial situation, and the income your family would need to remain secure. I’m here to help you with that, as a free service to members of the Order. ♦

Adding a monthly income to a lump-sum life insurance payout


Managing the lump-sum payout from a permanent life insurance policy can be challenging, especially in the aftermath of losing a loved one. Consider adding a rider to your life insurance policy that adds a steady stream of monthly income to the lump-sum payout.


You choose the amount of the payment, and a number of years you believe it will be needed. This steady income can help a surviving family keep their financial affairs in balance.


If you own Knights of Columbus life insurance, check with me about the “Income Protection Rider.”

YOUR AGENT

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Contact me today for information on long-term care insurance

Family benefits & services

Knights of Columbus insurance consistently ranks at the top of the industry in financial stability and ethics. Please call to discuss these services:

- Financial needs analysis
- Life insurance
- Tax deferred fixed-rate annuities
- Long-term care insurance
- Retirement account rollovers
- Estate preservation
- Scholarships
- Family fraternal benefits

KNIGHTS IN ACTION

Huge parades were an early show of unity and community

On August 12, 1885, The Knights of Columbus held its first annual state parade and clam bake in New Haven. Fully 12,000 Knights marched, reported the New Haven Register*. Huge gatherings like this were a



show of unity for the burgeoning Order, and a way to spread its message and invite new members to join.

Your Knights of Columbus insurance agents help the Order carry on this summer tradition today by sponsoring and participating in church festivals and many other events—including parades, of course—throughout the communities we serve.

**Source: "Faith and Fraternalism: The History of the Knights of Columbus, 1882 - 1982"*



Make sure their rainy days are covered.

Life insurance from the Knights of Columbus: Protection that consistently earns the highest ratings from Standard & Poor's and A.M. Best. Proud member of IMSA.

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