



Brought to you by Tony Viscardi, CLU, ChFC, CASL

KNIGHTS OF COLUMBUS Financial Beacon

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SOUND AND ETHICAL:
Knights Senior Investment Officer
explains Order's strategy

**Making strong
passwords you'll
remember**

**It's not the
IRS, it's a
SCAM**

**Understanding life
insurance DIVIDENDS**



A MESSAGE from your agent

Dear Brother Knight:

The word “participating” is a key life insurance term I’ve explained many times to fellow Knights who are shopping for life insurance and want to make sure they’re comparing apples to apples.

In a nutshell, if you own a participating policy, you’re eligible to earn dividends when the life insurance company has better-than-expected financial results.

Generally, you may choose to have any dividends from a participating policy added to the policy’s cash value or used to purchase more life insurance, if it is a permanent (also called “whole”) life insurance policy.

Dividends aren’t guaranteed. Whether a company pays dividends in a given year depends in part on the company’s fluctuating claims, operating expenses, and earnings on the premium dollars it invests. The Knights of Columbus has built a steady track record over the years of paying extremely competitive dividends. All of our permanent life insurance policies are participating.

If you’ve come across any other terminology about life insurance you’d like to understand better, please give me a call. I’m at your service.

Fraternally yours,

Tony Viscardi

Knights of Columbus investments: sound and ethical

By Anthony Minopoli, Knights of Columbus Senior Vice President and Chief Investment Officer

In managing the Order’s assets, the Investment Department focuses on a dual mandate: portfolio strength and adherence to Catholic teachings. No insurance company in North America is more highly rated for financial stability than the Knights of Columbus. Our goal is to maintain this position well into the future. At the same time, we recognize our position as the strong right arm of the Church, so we ensure that our investments strictly adhere to Catholic teachings.

Diversification and research protect our portfolio

Our portfolio is invested with 87% in highly rated fixed income investments. The Order performs exhaustive research on the companies we invest in, focusing on their credit quality, industry position, the strength of their management team, and overall financial strength. The remaining 13% of the portfolio is invested in stocks, real estate, loans, and a few smaller investments to round out our portfolio.

We also focus on broad portfolio diversification so the largest individual investment represents just 0.34% of total assets. We know that all of our investment activities are to provide insurance protection or annuity income to the Order’s policyholders, so we invest for the long term—we do not want a single under-performing investment to have undue impact on the overall portfolio. We do not invest in junk bonds. We’ve always stayed away from the aggressive and leveraged strategies that have been plaguing Wall Street since the collapse of the Lehman Brothers investment bank in 2008.

Ethical investments require rigorous screening

We believe in sustainable investing that betters society. This is why we avoid investing in any companies



WE EARN THE TRUST OF OUR MEMBERS AND THEIR FAMILIES BY PROVIDING STRONG INSURANCE AND ANNUITY PRODUCTS BACKED BY A WELL DIVERSIFIED INVESTMENT PORTFOLIO THAT COMPLIES WITH CATHOLIC TEACHINGS.

engaged in: embryonic stem cell research; contraception; substances that induce abortions; human cloning; for-profit health care that pays for any service or product objectionable to the Catholic Church; and pornography. The Order also avoids investments in companies that derive the majority of their income from the sale of alcohol and/or tobacco.

Our investment screening criteria are absolute. That is, we won’t invest in a company even if it derives only a small amount of its revenue from a prohibited activity. We use a third-party screening organization to perform the ethical screens based on our mandate. The prohibited companies are coded into a sophisticated pre-trade system that automatically prevents trades involving these companies.

In short, we take our mandate very seriously. We earn the trust of our members and their families by providing strong insurance and annuity products backed by a well diversified investment portfolio that complies with Catholic teachings. ♦

The IRS doesn't call or email and ask for personal information—but identity thieves do

U.S. Treasury Department investigators estimate that identity thieves are on pace to pilfer \$21 billion through fake tax returns over the next five years. The genius of this crime is how the thieves get enough personal information to file the fake returns: they simply call or email taxpayers and ask them for it.

If you get an email or phone call that appears to be from the Internal Revenue Service (IRS) asking for your social security number, banking information or other personal data, don't provide it.

The IRS does not email or phone taxpayers to notify them of a return or to request personal information. In rare circumstances, such as during an audit, an IRS representative may be in contact with a taxpayer via email or phone. But if you get an official-looking email or official-sounding phone call with an offer that sounds too good to

be true—or an urgent warning about information the IRS needs to complete your tax return—don't take the bait.

Don't click on links in emails

Be especially wary of emails displaying an IRS logo that ask you to click on a link. These links may appear to lead to an IRS site. Instead, they'll open a bogus form that instructs you to enter your Social Security number, banking information or other personal data. The form forwards your information to thieves who use it to file tax returns in your name and collect the money.

Clicking links in these emails may also open your computer to "malware" that scours your computer files and emails for account numbers, passwords, etc.

If you believe you've received a fraudulent email or phone call about your tax returns, call the IRS at 800-908-4490. ♦



How to create an effective password (that you can actually remember)

Don't give hackers and identity thieves easy access to your important online accounts by using a weak, easily-cracked password such as "password" or a series of consecutive numbers or letters.


A solid password has three elements: at least one uppercase letter; at least one lowercase letter; plus numbers and/or symbols, including punctuation. Here's an easy way to use all these elements on multiple passwords and still remember them:


- ✓ Think of a familiar phrase. It could be a book title, a movie quote, or a familiar saying among your family.
- ✓ Turn the phrase into initials and capitalize at least one of the letters. Examples: "Of Mice and Men" (Omam); "Here's looking at you, kid, (hlaYk).
- ✓ Next, "pad" the front and/or back of these characters with five or more periods or other symbols. This is important. See how strong your password is with an online password checker such as Microsoft's (microsoft.com/security/pc-security/password-checker.aspx).


YOUR AGENT



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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

Contact me today for information on long-term care insurance.



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FROM HUMBLE BEGINNINGS TO FORTUNE 1000.

In 1882, protecting Catholic families was at the forefront of Father Michael J. McGivney's thinking when he founded the Knights of Columbus. Today, his vision carries us to a place on the *Fortune* 1000 list.



While the times have changed, our mission to keep Catholic families safe never will.

Contact me today for more information on long-term care insurance!

Disability insurance is more important in a tough job market

Americans who lost their jobs over the last few years have faced a tough challenge in finding a new job. But imagine losing a job because of an illness or injury that leaves you disabled. Although the U.S. unemployment rate dipped below 8% in the third-quarter 2012 for the first time since early in 2009, the unemployment rate for Americans with disabilities increased to 13.7% from 12.9% in the previous quarter.¹

If you don't have disability insurance through work, or if your employer's coverage is inadequate for your family's needs, private disability insurance provides a critical safety net, especially if you're launching a new career in a competitive job market. Policies such as Income Armor from the Knights of Columbus can help pay some costs for retraining and rehabilitation.

The long wait for Social Security disability claims

Private disability insurance can also be a lifeline if you're applying for Social Security disability benefits. The average time from filing a claim to getting a decision about your benefits is currently almost a year—and many claims take far longer. In short: The best safety nets are those you make for yourself.

Take a close look at any short-term or long-term disability benefits you may have through work. Ask yourself whether your family could maintain its standard of living with those benefits. If not, or if you don't currently have disability insurance, let's talk about your options through the Knights of Columbus. ♦

¹ Source: "Allsup Disability Study: Income at Risk," October 2012, Allsup Inc., Belleville, Illinois.

