



*Brought to you by Alexander Sgroi, MBA*

# KNIGHTS OF COLUMBUS Financial Beacon

Summer 2014

## 3 REASONS

for converting a  
term life policy to  
permanent life

**Self-employed?  
Consider  
Disability  
Insurance**

**K of C** among  
World's Most  
**ETHICAL**  
Companies

## Get organized

with a Knights of Columbus  
Personal Planning Workbook





## A MESSAGE from your agent

### **Dear Brother Knight:**

The Knights of Columbus life insurance operation has been named a 2014 World's Most Ethical Company by the Ethisphere Institute.

It's important for any insurance company to be financially strong and stable, and our A++ rating from A.M. Best—its highest ranking—is proof of that. But strength isn't enough for our Order. We've achieved our strength through honest business practices, prudent management, and an ethical investment strategy.

The Ethisphere Institute's designation doesn't change how I run my business, of course. It's just a public acknowledgment that I'm backed by an insurance operation that does things the right way, for the benefit of our brother Knights and their families.

A key part of an agent's service is annually updating your Family Service Record. If we haven't done that yet this year, please get in touch with me and let's get together soon.

Fraternally yours,

**Alexander Sgroi**

## Three reasons for converting a term life policy to permanent life

If you've got a term life insurance policy, consider some options for converting it to permanent (or "whole") life insurance. Term life insurance lasts the length of the term and that's it, right? But many term policies are "guaranteed renewable," meaning you can continue the coverage without a medical exam. The premium typically will increase, however, based on your age.



Knights of Columbus term policies come with guarantees allowing you to convert them to a whole (or "permanent") life policy in the future, without further medical exams or underwriting, subject to certain restrictions. This is a critical option, because at some point after you've purchased a term policy, your family's needs may be quite different and whole life insurance may be a better fit at this stage of your life.

Here are a few reasons to consider converting term to whole life:

### **① You don't have any permanent life insurance**

When a term life policy expires, that protection is gone along with the money you've paid for it. The most obvious advantage of whole life is that, as long as you pay the premiums, the protection stays in place no matter how long you live.

Your whole life insurance premiums also build a cash value you may be able use if the need arises.

Also, "participating" whole life policies such as those sold by the Knights of Columbus are eligible for dividends (dividends are not guaranteed) that can be used to increase your death benefit gradually without increasing the premium. You can also elect to use your dividends to reduce your policy's premium, to accumulate interest, or simply to receive the dividends each year in cash.

### **② You still need a death benefit for your spouse and/or other beneficiaries**

Some of us buy term insurance when we begin having children because we can't afford the premium for enough whole life insurance to cover the entire need of a young family. You may still have a significant need to protect your spouse and children—or grandchildren—and now you can afford permanent life insurance premiums.

You don't have to convert the entire face value of your term policy into whole life. You can convert one chunk of it at a time over a number of years.

### **③ You need to protect your estate from probate taxes**

Life insurance proceeds generally pass to beneficiaries outside of the probate process, in which your estate is evaluated and your will is executed to determine ownership of your assets. This means your survivors receive life insurance death benefits without tax deductions or fees—and without the potential lengthy delays and disputes—the probate process can create.

These are only a few circumstances in which it makes sense to convert some or all of a term policy to whole life. And you can choose from a variety of whole life products that suit your family's specific circumstances and budget. I'd be glad to help you sort it out. ♦

# The document your family will be glad you left behind

Get a complimentary Knights of Columbus Personal Planning Workbook

Are you in charge of paying the household bills? Do you handle all paperwork from your homeowners, auto, life, and other insurance policies? Does anyone else in your house know the passwords to any websites you use to pay bills? If you were not around tomorrow, would your spouse know where to find, say, the kids' birth certificates?

The Knights of Columbus Personal Planning Workbook can help.

This comprehensive workbook will help your family take care of important financial matters you've been handling. This workbook is for your spouse and/or the executor of your estate, your attorney, or perhaps an adult child. This tool provides you an opportunity to document account numbers, passwords and other sensitive information.

You can then inform someone you absolutely trust, who will be handling your affairs, where you're keeping the workbook and other important papers.

Keep a copy in a safe deposit box, a fireproof home box, or another secure, accessible place.

The Knights of Columbus Personal Workbook will help you identify:

**Key contacts:** attorneys, insurance agents, accountants, investment advisors, employer, business partners and/or clients. If you've got an address book or online contact list, explain how to access it.

**Banking, investment, and tax information:** account numbers, debit/credit card PINs, and websites with user names and passwords.

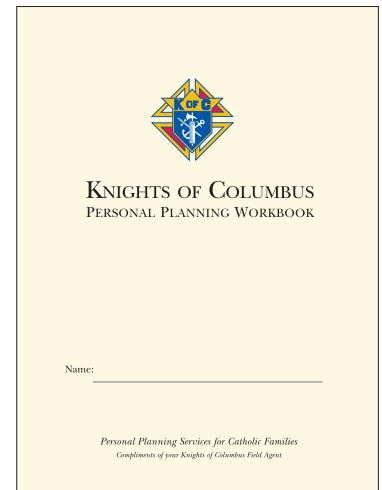
**Regular bills to be paid:** Include due dates.

**Insurance information:** insurance companies and policy numbers, location of paper or online policy documents. In addition to insurance you have through agencies, include any insurance coverages you may have through work, associations such as CAA or CARP, etc. Note any coverages for which premiums should be discontinued, such as health, life, long-term care or disability insurance.

**Services to be canceled.**

**Safe deposit boxes or other storage facilities:** Location of the facilities and location of the keys or combinations.

**Computer and/or mobile device passwords:** Include passwords for



online backup services, if anyone will need access to your backed up data.


**Location of key documents:** In addition to the documents listed above, describe where to find birth and, marriage certificates, Social Insurance cards, military discharges, car titles, powers of attorney (including medical), and your will.


Please call today to arrange a time for me to deliver your complimentary copy of the Knights of Columbus Personal Planning Workbook. This would be a good opportunity to talk about your overall financial goals and planning. ♦


## YOUR AGENT



### Alexander Sgroi, MBA

 45 Tempo Way  
Brooklin ON L1M 0G1

 **PHONE:** (289) 638-4946  
**CELL:** (416) 894-7233

 **EMAIL:** alexander.sgroi@kofc.org

### 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
- Life annuities
- Long-term care insurance
- Transfers of pension plan to registered plans (RRSP, TFSA, RRIF)
- Estate preservation
- Scholarships
- Family fraternal benefits
- Disability insurance

Contact me today for information on long-term care insurance



KNIGHTS OF COLUMBUS

## Financial Beacon

Knights of Columbus Supreme Office

**Alexander Sgroi, MBA**

45 Tempo Way

Brooklin, ON L1M 0G1

### Are you seeking safety & security?

How about a **great rate** and a **guarantee**?

Consider the Knights of Columbus **FlexiblePremium Annuity** for your

- Cash Deposits • RRSPs • RRIIFs
- Tax Free Savings Accounts
- Non-Registered Accounts

- Protection from volatile market changes.
- Requires no set-up or administration fees.\*\*
- Creditor protection.
- No hassle transfers.
- Guaranteed minimum interest rate.
- Easy-to-read, annual statement.
- Contributions can be made anytime.
- No probate fees at death.
- Available to all members and spouses.
- Personal, confidential service in your home.
- Ethical investment strategy.

**Contact me today to learn more!**

**Contact me for Current Rates on new money**

\*Monies added to existing accounts may have different interest rates. Contact your agent to learn more.  
\*\*Early withdrawal is subject to a reducing surrender charge.

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

## Being your own boss makes you a risk manager

If you're self-employed, no matter what business you're in, you hold the title of risk manager for your business. In addition to securing any necessary property and liability insurance, you must decide how to protect yourself and your family from the risk of suddenly losing the income your business generates.

Your business income may be at risk from natural or man-made disasters, equipment failure, legal action, criminal activity, or a variety

of economic factors. But the most likely source of business interruption is probably your health. That's why disability insurance should be a cornerstone of your risk management plan.

One mistake sole proprietors can make is basing their decision about disability insurance on one or both of these:

- Their age and current condition
- The physical risks of their job

These factors should influence the amount of disability benefits you choose, but not whether to have it at all. Because even if you're young, in good health, and working at a desk with little or no physical risks related to your job, you should have disability insurance unless losing your income for an extended period wouldn't be a major hardship for you or your family.

The 2013 survey report from the Counsel for Disability Awareness indicates that most long-term disability claims result from illness, not injury. The category of "injury and poisoning" comprised only 7.7% of existing claims. Musculoskeletal/connective tissue illnesses caused over 30% of the claims, followed by conditions related to the nervous system (14.2%), cardiovascular/circulatory (12.1%), and cancer and neoplasms (9%).

Let me help you manage the risk to your business's income. The Knights of Columbus's Income Armor disability insurance plan has a variety of coverage levels and options, and together we can find a solution that fits your needs and your budget. ♦

