



Brought to you by Jim Bertine, PGK, FIC, LUTCF, CLTC

KNIGHTS OF COLUMBUS Financial Beacon

Summer 2017

**Permanent life
insurance: a safe and
secure asset**

**Your family deserves your
will and living will in place**

**Flexibility in accessing
your annuity**



A MESSAGE from your agent

Dear Brother Knight:

“We reached new heights in 2016,” the Supreme Knight said. According to the figures from the 2016 Fraternal Survey the Knights gave \$177,500,673 in charitable donations. This is up from \$175 million donated in 2015.

I find this impressive. I know how important it is for organizations to have the funds they need to fulfill their mission.

But also, I have fond memories of the time I spent volunteering last year, and am enthusiastically involved again this year.

Few things are quite as personal and rewarding as giving of my time. I know I have helped in some small way, right here where I live; and I never fail to make new friends, reconnect with old friends, and come away feeling better in many ways.

I look forward to seeing you at council meetings and the many volunteer opportunities we have.

Included in my life as a Knight is my dedication to you as your field agent. We are brothers, and I take my service to you very seriously.

You can rely on my expertise to guide you through the benefits you have available to you as a Knight—benefits designed for you, and your family.

Fraternally yours,

Jim Bertine

Permanent life insurance is a flexible and secure asset, like no other

How many things in life offer peace of mind, a predictable cost, guaranteed value, and favorable tax treatment? Well, not too many, right? Permanent life insurance is uniquely situated to serve you in a way like nothing else can.

Primary reason is security for your family

The primary reason you have life insurance is to insure your family's financial security in the event you die when they are relying on your income.

The younger you are when you purchase a life insurance policy, the less it will cost each month. And, while you are young, and your family is young, is exactly the time life coverage is so essential.

Permanent life insurance has a cash value

The cash value accumulation in a permanent life insurance policy is a flexible asset, growing throughout your life, as long as you keep your policy in force.

Six ways the flexibility of a permanent life insurance policy can work for you

Yes, the main purpose of life insurance is to be there if you are not. But, meanwhile, it is a flexible asset. There are ways to use the value of your policy to help throughout your life, especially when things do not go as planned.

❶ **Collateral for a conventional loan.** If you want to take a conventional bank loan, to start a small business, perhaps, you can list your life policy among your assets for collateral on the loan.

❷ **Managing cash flow.** If you find yourself short of cash at just the wrong moment, when college tuition comes due, for instance, you can take a loan against the value of your policy. You will need to pay it back with interest, like any loan.

❸ **Supplementing long-term care coverage.** With the Knights of Columbus permanent life insurance chronic illness and terminal illness riders, you have a ready way to supplement your long-term care coverage, if your policy meets minimum requirements. And, there are no restrictions on how the funds are used.



❹ **Tax-favored, guaranteed growth.** If you find yourself in the enviable position of having more money to invest toward retirement than is allowed annually by a 401K, traditional IRA, or even a Roth IRA, the cash value accumulation in your permanent life policy grows tax-free.

❺ **Estate planning.** Permanent life insurance is a unique asset within your estate. The death benefit from your permanent life policy is a cash payment to your beneficiaries. Depending on the size of your estate, this may be the cash your heirs need to avoid selling assets to pay estate taxes. This is sometimes the case when a farm or other family business is passed on to the next generation.

❻ **Supplementing your retirement.** If you carry a permanent life insurance policy through the years and reach retirement, the cash value accumulation is there for you to supplement your retirement income, if you wish.

In the end, the value is yours

No matter what life throws at you along the way, in the end your policy has value, as long as you have kept it in force; and that value belongs to you and your beneficiaries. All the while, it has served as a flexible asset you could easily tap for other reasons, without losing the primary comfort of coverage, just in case. ♦

This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on, for tax, legal or accounting advice. You should consult your own qualified tax, legal and accounting advisors before engaging in any transaction.

Your family deserves your will, and your living will; so do you

Perhaps two of the greatest gifts you can give your loved ones is your will and your living will. This may not be a subject you want to think about, or talk about, but it is important, and these documents can provide clarity at some of your family's most difficult times.

What is a living will?

The terms differ from state-to-state, but generally, a living will actually consists of two documents: your **advance directive for health care**, which states your wishes regarding your care should you become unable to express your wishes due to illness or accident; and **durable power of attorney for medical care**, which designates a health care agent, such as a spouse or other family member, who will make health care decisions for you if you are unable to do so for yourself.

Standard forms are available

Since the passage of the Patient Self-Directive Act, most hospitals and healthcare organizations have standardized forms available for living wills. These documents will guide you through the decisions you should make, and gives all involved in your care the information they need to comply with your wishes regarding your healthcare.

Without these documents in place, critical decisions will be left to be made at potentially critical moments. By having these documents prepared, a future health crisis may have a better outcome.

An attorney should draft your will

Unlike your living will, your last will and testament is a complex legal document, and your situation is unique. Seeking the assistance of an attorney in preparing your will should ensure your document is complete and valid.

Essentials of a last will and testament

A will allows you to name one or more individuals or entities to manage your estate upon your death, provide for the transfer of your property upon your death, and name one or more guardians for your minor children.

There are four essential criteria for executing a valid will.

Intent. It must be clear you are the creator, or testator, of the will.

Capacity. You must be of sound mind and memory to make your wishes known and valid in your will.

Executor. You must name an executor of your will. This person, with whom you should discuss this role, will be responsible for executing your wishes according to your will. Depending on the complexity of your affairs, this may be a big job.



Signatory. Lastly, you sign and date your will, witnessed according to the laws of your state. This effectively voids prior wills and codicils, but it is recommended you express this in any new will you execute.

Inform your family

You may have seen it in the movies, but a family sitting before a lawyer's desk hearing a will read for the first time is probably not the best way to share your wishes with your loved ones.

While sharing your will with family may not be an easy conversation to have, the sooner you have it, the less ominous it will seem. As with any big life event, it may be more meaningful when you do it as a family.

This material has been prepared for informational purposes only, and is not intended to provide, and should not be relied on for tax, legal or accounting advice. You should consult with your own qualified tax, legal and accounting advisors before engaging in any transaction.

YOUR AGENT



Jim Bertine, PGK, FIC, LUTCF, CLTC

 7005 Backlick Court, Ste. 100
Springfield VA 22151-3942

 **PHONE:** (703) 845-3402

CELL: (571) 214-1447

FAX: (703) 291-8490

 **EMAIL:** james.bertine@kofc.org

WEB: jimbertine.com

Family benefits & services

Knights of Columbus 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
- Disability Income Insurance
- Retirement account rollovers
- Estate preservation
- Scholarships
- Family fraternal benefits

Contact me today for information on long-term care insurance



KNIGHTS OF COLUMBUS Financial Beacon

Knights of Columbus Supreme Office

Jim Bertine, PGK, FIC, LUTCF, CLTC

7005 Backlick Court, Ste. 100

Springfield, VA 22151-3942

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 information on long-term care insurance

A careful plan adds flexibility in accessing your annuity

An annuity is a contract designed to make periodic payments to the annuity holder at a future date, usually beginning at retirement. It pays a guaranteed rate of interest.

Working together, we can design an annuity contract that gives you options for withdrawals to fit your lifestyle and goals.

Avoid Surrender Charges and Penalties

An annuity is intended to be a retirement savings tool, and withdrawals before age 59 ½ are subject to an IRS penalty. In addition, a surrender charge may apply to withdrawals, so we will go over how that is structured, and how to avoid these charges.

Guaranteed income stream for life

The unique feature of an annuity is the guaranteed payment for life. Your contract can provide the security of knowing you cannot outlive your money.

Systematic Withdrawal Options

You also may have the option of making systematic withdrawals, if your annuity meets minimum requirements, which we will discuss. There are several ways to structure this:

Interest only. You receive only the annual interest earned on the value of your annuity.

Specified amount. You periodically receive a specified amount, not to exceed 10 percent of the value in the first year.

Specified percent. You receive a specified percentage, up to 10 percent of the account balance annually.

Medical Withdrawal Option

The Medical Withdrawal Option is available under certain medical circumstances you may face, which must be reviewed and approved. For instance, it would allow you to withdraw funds for



the cost of long-term care in a licensed nursing facility.

Annual Withdrawal Opportunity

You also have the option to make a withdrawal of up to 10 percent of your annuity account value one time each year after the first contract year.

Planning now, flexibility later

With all these options, and the terms associated with them, we should meet to discuss the details. Careful planning now will allow you maximum flexibility later.

I am here to help you successfully navigate these options. ♦