

When We Say  
"Guarantee"  
We Really Mean It.



Let Our Strength  
Be Your Shield



Knights of Columbus  
**INSURANCE**  
YOUR SHIELD FOR LIFE

## What is a Guarantee?

Guarantee \gar-en-tee\ noun

1. an agreement by which one person undertakes to secure another in the possession or enjoyment of something.
2. an assurance of the quality of or of the length of use to be expected from a product offered for sale.

- Merriam Webster dictionary

### Our Investment Strategy

"When it comes to investments, we simply take the position that there's no transaction that we have to undertake. If there's anything about an investment decision that makes us uncomfortable, we walk away from it. That was certainly our approach when much of the rest of the financial world was buying up sub-prime mortgage securities. We avoided them."



Supreme Knight Carl A. Anderson

## The Proof is in Our Numbers

Assets (year-end 2011) of \$18.0 billion with a 10-year growth rate of 6.9%.

Life insurance in force of \$83.5 billion (as of December 2011)

Investment income (2011) of \$878 million

Net investment yield (2011) of 5.17%

Premium income of \$1.12 billion

Surplus (2011) of \$1.95 billion

## Examples of Our Guarantees

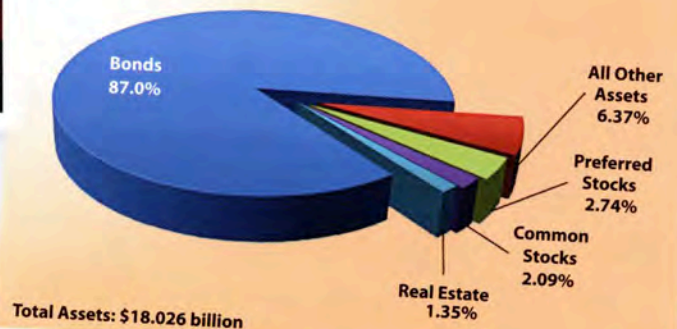
We guarantee the cash value in your whole life insurance.

We guarantee the rates on your level term insurance.

We guarantee a minimum interest rate on your retirement annuity.

We guarantee high-quality, professional service.

### Diversification of Assets Year-End 2011



## What We Don't Do

Invest in "junk" bonds

Invest in derivatives

Invest in highly speculative or highly structured Wall Street driven transactions



# Dedicated to His Vision

In addition to our charitable work, there is, of course, another aspect of our mission that was of vital importance to our founder, venerable Michael McGivney. It is the way in which we help our members provide financial protection for their families. In this area, the past year has been absolutely extraordinary. At a time when the economy is still struggling to recover from a deep recession, the exceptional strength of our insurance program is the rock on which a growing number of Catholic families build their futures.

Our financial strength is not an occasional, once-in-a-while thing. We have built that strength with care and conviction by applying the same rigorous standards to our financial stewardship year after year.

We earn our top ratings in good times and bad, because the Knights of Columbus insurance program is run by brother Knights for brother Knights.

What does that mean? It simply means that we don't venture into high-risk investments; the bonds that make up the vast majority of our portfolio must meet very high standards; and we maintain a very substantial safety cushion to make sure we'll be able to meet our obligations to you.

There is simply no more highly rated insurer in North America than the Knights of Columbus.

If you're looking for safety, security, strength and proven performance in a life insurance company, that's where you start.

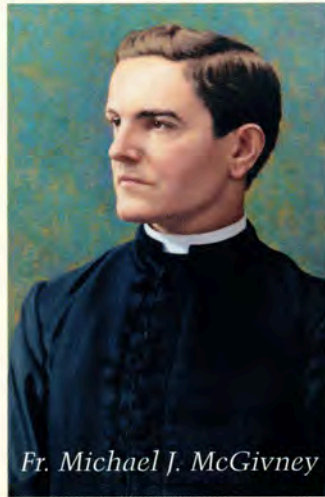
Central to our success is our commitment to ethical business practices and sound, sustainable and ethical investing. Much of the credit goes

to our exceptional sales force of more than 1,400 general and field agents. These men are all brother Knights — men you know because they're there in the pews next to you at Mass and at your council meetings and events. They are all professionally trained to help you make wise financial choices.

People sometimes think that Knights of Columbus life insurance provides a benefit only when you die. In fact, our insurance members receive excellent returns on their policies during their lifetimes.

Since our founding in 1882, we have paid over \$3.1 billion in death claims. And we have paid more than \$10.5 billion in living benefits.

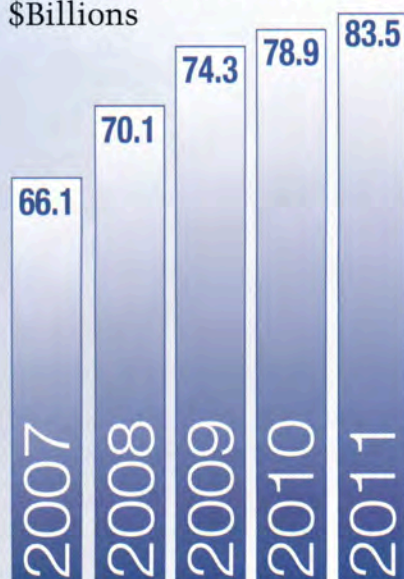
Remarks from Supreme Knight Carl A. Anderson to assembled delegates and guests at the 129th Supreme Convention, Denver, CO, August 2011.



Fr. Michael J. McGivney

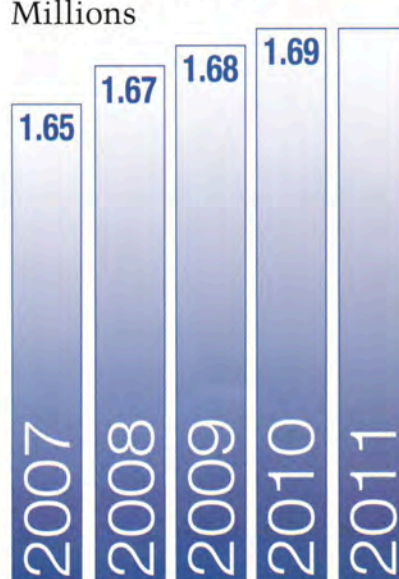
## Insurance In Force

\$Billions



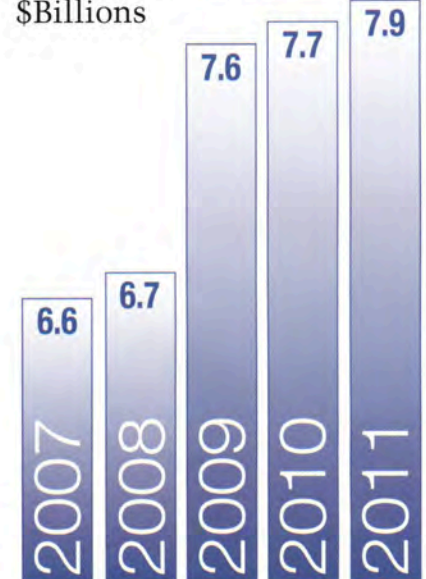
## Life Certificates

Millions



## New Insurance Issued

\$Billions



More than 1,300 professional life insurance agents represent the Order in all 50 states, the 10 provinces of Canada and in Puerto Rico. These dedicated Knights have chosen to spend their working life helping members and their families understand the nature of risk and the value our life insurance, retirement income products and long-term care insurance can bring to them.

Trained first in the field with their general agent, they arrive in New Haven, Conn., at our headquarters in their fourth month, and spend a week in a classroom experience with a number of Home Office staff. All of our training focuses on these core products, the financial strength of the Order and the manner in which we serve our market of Catholic families.

Executive Vice President Thomas Smith Jr., who manages the field force, has said, "Our goal has always been to have the most professional, best-trained, clearly focused group of agents in the entire insurance industry. Our results, including more and more Knights of Columbus families served today than ever and 10 consecutive years of growth, speak for themselves."

The core mission of a Knights of Columbus general agent or field agent is to recall the vision of our founder, venerable Michael McGivney.

Father McGivney dreamed of an organization where brothers cared for brothers, with the protection of widows and orphans a priority.

Every day we go to work, we go to work with him and that vision in mind.

## Money when it's needed

Just as our members are dedicated to serving their Church and community, our agents are likewise motivated to help the brother Knights and their families in their councils. Our insurance program is designed to put money in the hands of members, widows and children when they need it most.

In 2011, the Order paid more than \$617 million in total benefits (death claims, maturities and annuities) and dividends to policyholders.

## Giving that Grows

In 2010, new records for Knights of Columbus charitable work were set: Knights donated \$154,651,852 to charity (more than \$3 million more than in 2009).

Over the past decade, charitable giving by the Knights exceeds \$1.406 billion.

Volunteer time donated in 2010 grew by nearly 800,000 to 70,049,433 hours.

Independent Sector, a foundation that encourages charitable giving, estimates that the value of a volunteer hour in 2010 was \$21.36. That means that the value of our volunteer efforts last year was more than \$1.49 billion.

Over the past decade, Knights of Columbus volunteered 653 million hours, and the total value of those volunteer hours is in excess of \$13 billion.

Meet with your professional, well-trained agent today to learn how our life insurance, retirement products and long-term care insurance can help protect you and your family.

Not a member? Visit [kofc.org](http://kofc.org) to learn more.

Contact your local agent, Wayne Cherney, F.I.C., LUTCF  
(701) 662-4420 | (701) 739-8143 | (800) 906-6780 | [WAYNE.CHERNEY@KOFK.ORG](mailto:WAYNE.CHERNEY@KOFK.ORG)