

Four parts of retirement: Phase One

In the next four articles, I would like to discuss a goal that's on many workers' radar: retirement. To some, retirement is the pot of gold at the end of the rainbow or the reward after a long career. It's a time to relax, take up a hobby and enjoy life. Whether retirement is just around the next corner or if you have another 30 years to go, it's never too soon or too late to start planning or revise that plan.

Some experts suggest that there are four phases of retirement: protection, accumulation, income de-accumulation and care. In this article, I will tackle protection.

Protection is the base element of any well-founded financial plan; the base of the pyramid, for example. Without basic protection against premature death or the inability to earn income due to disability, the remainder of the pyramid collapses. If you own mutual funds and die without life insurance, those funds will be needed to pay final expenses (collapsing), perhaps at the most inopportune time (after a market correction). If you own mutual funds and lose your ability to earn income due to disability and are without paycheck protection, those funds will be needed in order to pay living expenses (collapsing), perhaps at the most inopportune time (is there ever an opportune time?).

So, basic protection is a must. The good thing is that this protection is offered by the Knights of Columbus. Our whole life products and disability income insurance are designed with this goal in mind. For example, our Life Paid Up at 65 plan is perfect for this purpose because premier payments end right when retirement is upon you. There are many other options that I can discuss with you that will fit your needs and your budget.

A newer addition to our product portfolio, disability income insurance protects your most valuable asset: your ability to work and earn money. Plans can be customized and are available to cover many professions, from farmers to lawyers.

Once you've established the proper protection, the next phase is accumulation of cash, which I will discuss in a future article.

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