



Needs analysis worksheet

We may sometimes forget that the original purpose of a life insurance death benefit contract is to financially protect family members from the premature death of the family's wage earner. Life insurance, first and foremost, provides asset and income protection from premature death for surviving family members, especially a young, growing family.

The life insurance death benefit can be used to pay a mortgage and education obligations, and to replace lost salary to pay for ongoing household expenses, debts, and even outstanding tax bills. But the real value of life insurance when it comes to family protection is that it provides the death benefit in the form of cash in a timely fashion.

How much Life Insurance do you need?

Life insurance is an important component of any financial plan. This quick and easy Needs Analysis Worksheet will help determine how much insurance coverage is needed to secure your financial future.

Assets

- 1. Spouse's Annual Income _____
x Number of Years _____
= Total Projected Income _____
- 2. Cash and Savings _____
- 3. Investments _____
- 4. Home Equity _____
- 5. Retirement Income _____
- 6. Existing Insurance _____
- 7. Other _____
- 8. **Total Assets** _____
(add lines 1-7)

Expenses

- 9. Annual Living Expenses _____
x Number of Years _____
= Total Projected Living Cost _____
- 10. Annual Mortgage/Rent _____
x Number of Years _____
= Total Projected Mortgage/Rent _____
- 11. Outstanding Debt (Car Loans,
Credit Cards, Personal Loans, etc.) _____
- 12. Annual Childcare Cost _____
x Number of Years _____
= Total Projected Childcare Cost _____
- 13. College for Child One _____
+ Child Two _____
+ Child Three _____
= Total Projected College Cost _____
- 14. Funeral and Settlement Costs _____
- 15. **Total Expenses** (add lines 9 -14) _____
Difference (between line 8 and 15) _____
- Amount of Insurance Needed** _____

This is just an approximate estimate. Please consult with your insurance professional to determine the amount of protection that is right for you.