

Life Insurance Planner

Take a few moments today to determine if you have enough insurance coverage to protect the people that are important to you. Complete the Life Insurance Planner to figure out how much insurance you may need.

A

BASIC MONTHLY EXPENSES

These are the everyday expenses your family has to meet on a monthly basis. Decide how long you wish to provide for these expenses before your family is more self-sufficient. Then tally the total annual expense over the period of time you want covered.

Mortgage Payment (If you wish to pay off your mortgage in full, put a "0" here, and list this expense in the "Outstanding Debt" section.) \$ _____

Rent (Not applicable for homeowners) \$ _____

Household Living Expenses (Food, clothing, utilities, repairs, entertainment, etc. On average, approximately \$1,600 per month per U.S. household consisting of 4 people.)* \$ _____

Child Care (Current or potential day care expenses) \$ _____

Insurance Cost (Medical/hospital, dental, auto, home, long-term care: insurance premiums and out-of-pocket expenses) \$ _____

Other Monthly Expenses (Such as school tuition, property taxes, etc.) \$ _____

Total Above for Basic Monthly Expenses = \$ _____

Multiply by 12 for Basic Annual Expenses = \$ _____

Number of Years You Wish to Protect Your Family (It could be 5, 10, 15 years or more.) \$ _____

Multiply Previous Two Lines for Total Basic Expenses: \$ _____

ADDITIONAL EXPENSES TO PLAN FOR

These are additional costs you and your family may have been planning for, so you may want to consider these as well.

College Tuition x Years of Schooling for Each Student in Family (Average annual cost per child, including room/board, books/supplies, transportation and personal expenses is \$22,541 for a private college and \$10,470 for a public college.)* \$ _____

Child's/Children's Wedding(s) (Average wedding cost is almost \$19,000.)** \$ _____

Personal Funeral Expenses (U.S. average is approximately \$8,000.)† \$ _____

Elder Care for Parents x Number of Years (Average annual cost of nursing home care is \$52,100 per person if not covered by insurance††; average stay in a nursing home is 2.6 years.)††† \$ _____

Other Expenses: \$ _____

Add Above for Total Additional Expenses: \$ _____

* The College Board, 2001.

** Source: The Knot, 2001.

† Source: AARP, Funeral and Burial Costs, 2002.

†† Source: Mature Markets Institute Survey, April 2002.

††† Source: Conning & Company, Long-Term Care Insurance -- Baby Boom or Bust?, 1999, page 15.

* Source: U.S. Bureau of Labor Statistics, Consumer Expenditure Survey, 2000.

See reverse side to continue your needs assessment.

Evaluating Your Needs

OUTSTANDING DEBT

These are committed costs you may wish to pay off in full to protect your family from this burden. Fill in all that apply to your personal situation.

Total Debt (If you desire to pay outstanding balances in full; includes credit cards, car payments, education and home equity loans, etc.) \$ _____

Home: Remaining Mortgage (If you wish to pay off in full. If you wish to provide funds to cover your monthly mortgage payments, put a "0" here, and list this in the "Basic Monthly Expense" section.) \$ _____

Other Obligations: \$ _____

Add Above for Total Outstanding Debt: \$ _____

Add Total Basic Expenses, Total Additional Expenses and Total to Determine: Total **All** Expenses: **A** \$ _____

Be sure to take into account any income from your spouse that can be used towards these expenses, as well as any existing life insurance coverage you may have. Remember, the coverage you may already receive from your employer could end if you leave your job, reducing your assets and family's ability to manage these expenses.

DON'T FORGET, your calculation is based on today's costs and doesn't account for inflation or changes in annual earnings. We recommend that you review your coverage periodically — even annually — to ensure that your family's needs will be met now and in the future.

Now that you have determined the amount of insurance you need, you can make an informed decision about your life insurance options.

B

ASSETS/SAVINGS

Cash, Savings, Bonds, Stocks, Securities, Personal IRAs (Current value) \$ _____

Employer Savings Plan (401(k), 403(b), or pension; indicate after-tax value for both you and your spouse.) \$ _____

Equity in Your Home (Use this only if you plan to sell or borrow against it for cash.) \$ _____

Current Employer Paid and/or Other Individual Life Insurance \$ _____

Other Assets: \$ _____

Add Above for Total Available Assets: **B** \$ _____

C

A \$ _____
Total All Expenses

-

B \$ _____
Total Available Assets

=

C \$ _____

Total Coverage Needed

This is the amount of life insurance coverage you may need to provide adequate insurance protection for your family.