

How Much Life Insurance Do You Need?

As a provider for your family, your loved ones have a life that would not be the quality it is without you. It's especially important to protect your family's quality of life to guard against the time you are no longer there to provide for them. Take a few moments to determine what your life insurance needs could be by completing this simple worksheet.

Expense:	Determining Formula	Estimated Dollar Amount
1. Income Replacement	7-10 Times your annual income	\$
2. Mortgage/Rent	Your remaining outstanding mortgage or estimate of rental costs	\$
3. Outstanding Debt	Outstanding loans, credit card debt, and other debt	\$
4. College Education	Estimated cost of college per year, multiplied by 4, then by number of children	\$
5. Emergency Fund	25%-50% of your annual income	\$
6. Funeral Cost	Approximately 20,000 (moderate cost)	\$20,000
7. Total Cash Needed	Add parts 1 through 6	\$
8. Total Available Liquid Assets	Cash, Savings, Checking, Retirement funds, Existing life insurance, investments.	\$
9. INSURANCE NEED	Part 7 minus part 8	\$

Your goal is to have enough insurance so at a 3%* annual return on the death benefit, your family would be able to sustain themselves.

*3% is a conservative rate of return



Your Potential Life Insurance need