

Life Insurance Needs

Do you know how much life insurance you need? This worksheet can help you get a general sense of how much life insurance would be appropriate for your specific situation. Before you buy a policy, you should meet with an Assurity insurance professional for a more thorough analysis to narrow your options to the perfect policy for you!

Income:

1. Total annual income your family would need if you died today

What your family needs, before taxes, to maintain its current

standard of living (typically between 60% - 75% of total income)

2. Annual income your family would receive from other sources		Needed
For example, spouse's earnings or a fixed pension (do not include	\$	10
income earned on your assets - it will be covered later)	т	15
3. Income to be replaced	\$	20
Subtract line 2 from line 1		25
4. Capital needed for income	\$	30
Multiply line 3 by appropriate factor in Table A.	Υ	35 40
		40
Expenses:		
5. Funeral and other final expenses		Tal Years
Typically \$10,000 to \$25,000	\$	Before
6. Mortgage and other outstanding debts		College
Include mortgage balance, credit card balance, car loans, etc.	\$	5
7. Capital needed for college		10 15
(2014-2015 avg. four-year cost; Private: \$169,676 Public: \$75,772) ²		20
Estimated Factor Net Present		20
4-year Cost (Table B) Value		Note: These tab
Child 1 X =		mine Net Prese
Child 2 X = +	\$	today to satisfy
Child 3 X =		or college cost
8. Total capital required	ċ	assumed inves
Add lines 4, 5, 6 and 7	\$	costs and 5% fo
Assets:		Social Securit

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Bank accounts, money market accounts, CDs, stocks, bonds, etc.

IRAs, 401(k), SEP plans, pensions, profit sharing plans³, etc.

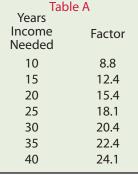


Table B Years		
Before College	Factor	
5	.95	
10	.91	
15	.86	
20	.82	

Note: These tables help determine Net Present Value (NPV), the amount of capital required today to satisfy future income or college cost needs given an assumed investment return of 6%, inflation of 3% for living costs and 5% for college costs.

- Social Security benefits, which may be available, have not been factored into this calculation.
- Trends in College Pricing, 2015, The College Board. Costs reflect total charges, which include tuition, fees, room and board.
- Distributions from most retirement savings plans are subject to ordinary income tax rates.



PO Box 82533 • Lincoln, NE 68501-2533 www.assurity.com

9. Savings and investments

11. Present amount of life insurance

12. Total income producing assets

Add lines 9, 10 and 11

Individual and group plans

Subtract line 12 from line 8

10. Retirement savings

13. Life insurance needed