

# Do You Have Enough Life Insurance?

For individuals who have a need for income replacement, the primary focus of the insurance is to ensure that one's family is able to maintain the same standard of living should such an event arise.

The chart below is designed to:

- Allow you to participate in the needs analysis process
- Effectively determine how much life insurance coverage is necessary given your family's income needs
- Help correlate the amount needed to maintain a standard of living to the amount of income the coverage will provide
- Pinpoint the most appropriate death benefit increment

## Other Benefits of Life Insurance:

- Death benefits are paid income tax free
- Premiums are guaranteed for a specified period (possibly life)
- Death benefits are guaranteed not to change for a specified period of time
- The amount of premium cannot be changed because of adverse health changes

## Amount of Life Insurance Protection Required to Replace Specified Income Amount

Based on Lump Sum Growing at 3.25%, Net of Annual Income Distribution at Beginning of Year

Equivalent Monthly Income to Replace	Equivalent Annual Income to Replace	10 Years of Income to Replace	15 Years of Income to Replace	20 Years of Income to Replace	25 Years of Income to Replace	30 Years of Income to Replace
\$2,500	\$30,000	\$256,528	\$356,750	\$441,959	\$514,403	\$575,996
\$3,750	\$45,000	\$384,793	\$535,125	\$662,938	\$771,605	\$863,994
\$4,000	\$48,000	\$410,445	\$570,800	\$707,134	\$823,045	\$921,594
\$5,000	\$60,000	\$513,057	\$713,500	\$883,917	\$1,028,807	\$1,151,992
\$6,250	\$75,000	\$641,321	\$891,875	\$1,104,897	\$1,286,008	\$1,439,990
\$8,333	\$100,000	\$855,061	\$1,189,119	\$1,473,137	\$1,714,609	\$1,919,910
\$10,416	\$125,000	\$1,068,800	\$1,486,363	\$1,841,377	\$2,143,210	\$2,399,830
\$12,500	\$150,000	\$1,282,642	\$1,783,750	\$2,209,793	\$2,572,017	\$2,879,980
\$14,583	\$175,000	\$1,496,382	\$2,080,994	\$2,578,033	\$3,000,617	\$3,359,900
\$16,666	\$200,000	\$1,710,121	\$2,378,238	\$2,946,273	\$3,429,218	\$3,839,819