

# Life Insurance

## Needs Analysis Worksheet

Life insurance is probably something you don't often think about, but it's one of the most important decisions you'll ever make.

Use this Life Insurance Needs Analysis Worksheet together with your Insurance Representative to estimate the life insurance you'll need to protect your family's financial future.

NAME

DATE COMPLETED

COMPLETED BY

DATE UPDATED



CLEAR FORM

### Step 1

### MONEY THEY'LL NEED

**A. Cash they'll need** Estimate the cash needed for immediate and short term expenses.

- ▶ **Final expenses** Funeral & medical expenses; unpaid taxes, credit cards and loans
- ▶ **Mortgage(s)** Pay off a mortgage, purchase a home for survivors
- ▶ **Interim assistance fund** Support while decisions and adjustments are made
- ▶ **Emergency fund** Injury, auto replacement, home repair or interruption of survivor's income
- ▶ **Education fund** University, college or other specialized training
- ▶ **Other cash needs** Bequests, charities, infirm child or other dependent relative, child's wedding, etc

Total cash needed

Estate Name:	Estate Name:
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$

**B. Income they'll need each month** Calculate additional monthly income your estate needs to provide.

- ▶ Gross monthly income needed
- ▶ Gross monthly income available

**Government benefits**

**Survivor's income**

**Other income**

Total monthly income available

Additional monthly income needed

\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$

**C. Money required to produce additional monthly income** Calculate the money needed today to produce income needed for the future.

- ▶ Additional monthly income needed

**Long-term interest rate assumed**

**Long-term inflation rate assumed**

**Net interest rate**

**Number of years income is required**

Years

Years

Money required to provide additional future income

STEP 1: Total money needed

\$	
\$	
\$	\$

## Step 2 MONEY YOU HAVE

**Assets** Calculate the money you have now.

- ▶ Cash Chequing, savings accounts
- ▶ Registered savings\* RRSPs, DPSPs, pension plan lump sums
- ▶ Non-registered savings\* GICs, bonds, funds, stocks
- ▶ Personal life insurance
- ▶ Group life insurance
- ▶ Canada Pension Plan death benefit
- ▶ Other assets\* Autos, art, jewelry, etc.

\*Do not include assets that will not be liquidated at the time of death

\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$
\$	\$

STEP 2: Total money you have

\$	\$
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## Step 3 ADDITIONAL MONEY REQUIRED

**Additional money required** Calculate the additional money or insurance required to meet the cash and income needs of your family.

STEP 1: Total money needed

\$	\$
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STEP 2: Total money you have

\$	\$
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STEP 3: Additional money required  
Money or insurance you'll need for your family

\$	\$
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## Step 4 YOUR COMMITMENT

**Your commitment**

- ▶ Money to take care of insurance needs If different than Step 3 above, provide an explanation in Notes section below.
- ▶ Monthly or annual commitment to fund policy.

\$	\$
\$	\$

Notes: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_ Client Signature 1

\_\_\_\_\_ Insurance Representative Signature \_\_\_\_\_ Client Signature 2