



Life insurance planning guide

How much coverage do you need?

Think about what's important in your life and the loved ones you want to protect. Many individuals like you own life insurance to help protect their families, their business investments, and accomplish their goals.

The first step is to determine the right amount of financial protection for you. Even if you already have some life insurance, by using this planning guide you can find out if you've got sufficient coverage.

Did you know?

The financial protection you need could cost less than your monthly cable bill.

If you already own life insurance

Why did you buy the life insurance you currently own?

How did you determine the amount of insurance?

Has anything changed in your life since you purchased this coverage? (Examples: marriage, job change, birth of child)

 Yes

 No

Please specify: _____

What factors led you to the specific type of policy you have?

When was the last time your current life insurance was reviewed for its competitiveness and suitability for your current needs?

If you do not own life insurance

Are you aware of your options regarding group life insurance through your employer if you leave/retire?

 Yes

 No

Would you like to learn more about how different types of life insurance can help you reach your goals?

 Yes

 No

Insurance products issued by:
The Lincoln National Life Insurance Company
Lincoln Life & Annuity Company of New York

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Your life insurance worksheet

Use this worksheet to estimate the amount of life insurance coverage you currently need. Review the results with your advisor, who can provide an in-depth assessment of your situation and recommend a solution to help meet your goals.

Expenses	Permanent	Temporary	Years remaining
Funeral and other final expenses	\$	N/A	N/A
Mortgage balance	\$	\$	\$
School loans	N/A	\$	\$
Other debts	\$	\$	\$
College fund	N/A	\$	\$
Emergency fund	\$	N/A	N/A
Total expenses at death = Permanent + Temporary			\$ [Z]

Income replacement			
Desired monthly income		\$	[A]
Desired annual income = [A] x 12		\$	[B]
Annual income your loved ones will receive from other sources		\$	[C]
Assumed net rate of return on insurance proceeds			% [D]
Total income replacement = [B - C] / D		\$	[E]
Total gross need = [Z] + [E]		\$	[F]

Current resources			
Current life insurance		\$	
Retirement plans/IRAs		\$	
Savings/investments		\$	
College savings		\$	
Other		\$	
Total resources		\$	[Y]

Net new total life insurance need = F - Y		\$	[J]
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Net new temporary life insurance need (based on total temporary expenses)		\$	[H]
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Net new permanent life insurance need = J - H		\$	
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If you have life insurance, do you have a coverage gap?			
Based on your calculations, is your current insurance coverage sufficient?		<input type="checkbox"/> Yes	<input type="checkbox"/> No
How much additional coverage do you need?		\$	

What to consider as you complete your worksheet

Expenses

Temporary or permanent expenses — If the need will last longer than 25 years, it should be considered permanent.

Final expenses — This is the amount needed for burial, probate expenses, executor's fees, attorney's fees, administrator's fees, income taxes, state inheritance taxes, and final healthcare costs. Costs typically run between \$5,000 and \$50,000, depending on the type of funeral and amenities, and other fees and taxes to settle the estate.

Mortgage balance — If you own property, you may want to make sure your loved ones can pay off the mortgage. If not, include the mortgage payment with income replacement. How many years remain on this mortgage? If you or your spouse or partner plan to maintain an existing mortgage longer than 25 years, the balance should be in the permanent column.

School loans and other debts — What is the balance of your remaining debt obligations? How many years until they are paid off?

College fund — In today's dollars, how much do you need for your dependents' higher education? For how many years? For how many children? How many years until your youngest child completes an undergraduate college degree or graduate school?

Emergency fund — How much do you want to have available to pay for emergencies and unforeseen large expenses? (A rule of thumb is three to six times monthly expenses.)

Income replacement

If all your debts are paid off and you've created your college and emergency fund, how much will your surviving spouse/partner and other dependents need to maintain the desired standard of living?

Total income replacement — This figure represents a lifetime income for your surviving spouse/partner. If planned retirement is 25 years or more from now, total income replacement is considered a permanent need.

Current resources

Current life insurance — Consider both group life and personally owned policies. Also take into consideration the impact of changing jobs. (If a job change is imminent, you may want to avoid including group life insurance unless the benefits of your new job are clearly known.)

Retirement plans/IRAs — Only use values from your accounts (if you are the insured).

Savings/investments — Include all savings or investments that could be liquidated and used for income.

College savings — Include any current accumulated college savings balance.

Net new total life insurance need — This figure ignores inflation based on the assumption that performance on all savings and retirement plans will equal inflation. It does not take into account Social Security income benefits that may be available to a surviving spouse with children under age 18.

Net new temporary life insurance need — To arrive at this number, add up all of the temporary needs found in the center column of the Expenses section.

Net new permanent life insurance need — This value is the difference between net total and temporary life insurance needs.

Take the next step to help protect what's important in your life.

Talk with your advisor today.

Not a deposit
Not FDIC-insured
Not insured by any federal government agency
Not guaranteed by any bank or savings association
May go down in value

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