



Help protect the people who depend on you



37.5 million

U.S. households **don't own life insurance.**

LIMRA, Life Insurance Ownership in Focus: U.S. Household Trends, 2016.



73% of consumers had outstanding **debt** when they died, with an average total balance of **\$62,000.**

Credit.com, Americans Are Dying With an Average of \$62K of Debt, 2017.

ColonialLife.com

What if something unexpected happened to you? Without you, your family might not have the funds to:

- Cover final expenses, such as funeral costs and medical bills
- Replace your lost income they depend on for everyday living expenses
- Help pay off the mortgage so they can remain in the home
- Manage debt, such as credit cards and car loans
- Provide funds for college education for your children

Fortunately, Colonial Life & Accident Insurance Company has life insurance options that can help protect your family's way of life.

Many families aren't prepared

Despite the importance of having financial protection for their loved ones, many families don't have enough life insurance.

40% say most people should have **3x their salary** or less in coverage, versus the industry-recommended 7-10 times salary.

LIMRA, What Do Employees Know About Life Insurance? 2018.

Among individuals with life insurance, about **1 in 5** say that they do not have enough.

LIMRA, 2018 Insurance Barometer.

Talk with your benefits counselor to learn more about how life insurance can help protect what you've worked so hard to build.

Life insurance needs analysis

This worksheet can provide a general sense of how much life insurance coverage you may need to help protect your family.

This worksheet is intended to be illustrative and should not be considered financial advice. No worksheet can predict all of your expenses or other factors (such as inflation) that can alter your needs. Please review your plan periodically to ensure it is meeting your needs.

TABLE A	
YEARS INCOME NEEDED	FACTOR
5	4.7
10	8.8
15	12.4
20	15.4
25	18.1
30	20.4

TABLE B	
YEARS BEFORE COLLEGE	FACTOR
5	.95
10	.91
15	.86
20	.82

Note: These tables from Life Happens help you 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.

Step 1: Your annual income

- Calculate annual income, typically between 60-75% of the pre-tax income of the person being insured. \$ _____
- How many years will your family need the income? Consider how many years your spouse is from retirement. _____
- Refer to Table A and multiply the appropriate factor by your annual income (a). \$ _____

Step 2: Evaluate your debts and expenses

- How much would your family need for funeral costs and other final expenses? It's typically the greater of \$15,000 or 4% of your estate. \$ _____
- What about outstanding debts, such as a mortgage balance, credit card balances, car loans, etc.? \$ _____
- How much does your family need for college? Refer to Table B and multiply the appropriate factor by the amount needed for college per child. Average four-year cost* in 2017: \$83,080 public; \$187,800 private \$ _____
- Add all expenses (d, e and f) for a total. \$ _____

Step 3: Evaluate your assets

- How much does your family have in savings and investments, such as bank accounts, money market accounts, stocks, 529 plans, bonds, mutual funds, etc.? \$ _____
- What about retirement savings, such as 401(k), pension, IRAs, etc.? \$ _____
- How much life insurance do you currently have, including group life insurance provided by your employer? \$ _____
- Add all assets (h, i and j) for a total. \$ _____

Step 4: Calculate your total

- Subtract total assets (k) from total expenses (g). \$ _____
 - Add in income to be replaced (c). \$ _____
- Total estimated amount of life insurance needed:** \$ _____

Prefer to use an online calculator? Visit [ColonialLife.com/life-calculator](https://www.coloniallife.com/life-calculator) to calculate your needs.

*The College Board, *Trends in College Pricing*, 2017. Costs include tuition, fees, room and board.