



Help protect the people who depend on you

What if something unexpected happened to you?

If other people rely on your income to live or if you have debts that won't be forgiven upon your death, then you should consider life insurance. Life insurance can help your surviving loved ones in many ways, by providing 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 a mortgage so loved ones can remain in a home
- Manage debt, such as private student loans, 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.

Many families aren't prepared

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

The number one reason for not having life insurance is the perception that it's too expensive.¹



41%
of American adults say they need life insurance or need to obtain more life insurance.¹



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.

Note: This table is provided by Colonial Life to help you assess your life insurance needs.



For a more detailed analysis using an online calculator, visit [Life Happens' Insurance Calculator](#) to estimate your needs.²

| Age | Multiple of Income factor |
|--------------------------|---------------------------|
| Less than or equal to 40 | 15 |
| 41-50 | 10 |
| 51-60 | 7 |
| 61-65 | 5 |
| > 65 | Your choice based on need |

| Step 1: Your annual income | |
|--|----------|
| a. Calculate annual income, typically between 60-80% of the post-tax income of the person being insured. | \$ _____ |
| b. How many years will your family need the income? Consider how many years your spouse is from retirement. | _____ |
| c. Refer to the table above and multiply the appropriate factor by your annual income (a). | \$ _____ |
| Step 2: Evaluate your debts and expenses | |
| d. How much would your family need for funeral costs and other final expenses? It's typically the greater of \$20,000 or 4% of your estate. | \$ _____ |
| e. What about outstanding debts, such as a mortgage balance, credit card balances, car loans, etc.? | \$ _____ |
| f. How much does your family need for college? Average four-year cost in 2023: \$116,600 public out-of-state; \$45,040 public in-state; \$166,160 private ³ | \$ _____ |
| g. Add all expenses (d, e and f) for a total. | \$ _____ |
| Step 3: Evaluate your assets | |
| h. How much does your family have in savings and investments, such as bank accounts, money market accounts, stocks, 529 plans, bonds, mutual funds, etc.? | \$ _____ |
| i. What about retirement savings, such as 401(k), pension, IRAs, etc.? | \$ _____ |
| j. How much life insurance do you currently have, including group life insurance provided by your employer? | \$ _____ |
| k. Add all assets (h, i and j) for a total. | \$ _____ |
| Step 4: Calculate your total | |
| l. Subtract total assets (k) from total expenses (g). | \$ _____ |
| m. Add in income to be replaced (c). | \$ _____ |
| Total estimated amount of life insurance needed: | \$ _____ |

1. LIMRA, Insurance Barometer Study, 2023.
2. Life Insurance Needs Calculator. Life Happens, <https://lifehappens.org/life-insurance-needs-calculator/>. Accessed September 2023.
3. The College Board, Trends in College Pricing, 2023. Costs include tuition, fees, room and board.