

Insurance Planning

PROFESSIONALS' INSURANCE CENTRE

Life Insurance Needs Worksheet

A) Need for Immediate Cash and Replacement Income

Total mortgage and other debts owing:

Final Expenses (funeral, probate fees, taxes, legal):

Education fund (suggestion: \$10,000 - \$30,000/child/year of schooling):

Other cash needs (Emergency fund, childcare, aging parents, charity):

Total liabilities and cash needs

A

B) Replacement Income: To maintain standard of living for survivor(s)

Consider spousal income, if working, investment income, income from investment properties, monthly household bills (property taxes, utilities, food, car maintenance/finance, clothing, recreational activities, rent, vacations etc.)

Monthly Income	Funding for 20 years		Funding for 30 years	
	4%*	6%*	4%*	6%*
\$ 1,000	\$ 165,022	\$ 139,581	\$ 209,461	\$ 166,792
\$ 4,500	\$ 742,598	\$ 628,113	\$ 942,576	\$ 750,562
\$ 8,500	\$ 1,402,686	\$ 1,186,437	\$ 1,780,421	\$ 1,417,729

*Assumptions: Calculations are based on compound interest on monthly income payments. Rate is net of inflation (estimated at 2%).
Figures shown are before income tax.

Total amount of replacement income needed

B

C) Assets Available

Assets which could be sold for cash (GICs, other investments):

Proceeds from any existing life insurance policies (group and personal)

Total assets available for sale

C

D) Life Insurance need: = total cash & income need – total assets available D=A+B-C

Insurance Planning That Never Rests

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