

# [YEAR] · WHAT ISSUES SHOULD I CONSIDER WHEN PURCHASING A LIFE INSURANCE POLICY?

| PURPOSE OF COVERAGE                                                                                                                                     | YES                      | NO                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| > In the event of your untimely death, do you want to provide support for your survivors (partner, spouse, children, other dependents)?                 | <input type="checkbox"/> | <input type="checkbox"/> |
| > In the event of your untimely death, do you need to cover any debt obligations (e.g., home mortgage, car loan, credit card, or other personal debts)? | <input type="checkbox"/> | <input type="checkbox"/> |
| > Do you need to estimate and plan for the costs of your final expenses (funeral and burial, taxes, estate settlement, etc.)?                           | <input type="checkbox"/> | <input type="checkbox"/> |
| > Do you have wealth transfer goals that life insurance could support?                                                                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| > Have you experienced a life event recently (marriage, new child, home purchase, etc.)?                                                                | <input type="checkbox"/> | <input type="checkbox"/> |
| > Is a life insurance policy necessary pursuant to a divorce settlement or under a buy-sell agreement?                                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| > Do you need to create liquidity at your death (e.g., to pay an estate tax liability)?                                                                 | <input type="checkbox"/> | <input type="checkbox"/> |
| > Do your current (and projected) assets and income fail to cover the above (or other) needs?                                                           | <input type="checkbox"/> | <input type="checkbox"/> |
| > Are you concerned about your future insurability?                                                                                                     | <input type="checkbox"/> | <input type="checkbox"/> |

| COVERAGE AMOUNT                                                                                                                                                                                                                                                                                                                                                                                                   | YES                      | NO                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| > Do you need to consider the financial impact that your death would have on those who depend on you financially?                                                                                                                                                                                                                                                                                                 | <input type="checkbox"/> | <input type="checkbox"/> |
| > Do you need to compare methods of calculating the right amount of death benefits?<br>If so, consider the following approaches:<br>■ Multiple of Income — Choose a death benefit to replace your current annual income multiplied by a factor (e.g., 10 or 15).<br>■ Human Life Value — Calculate the present value of your estimated future earnings throughout your life expectancy. (continue on next column) | <input type="checkbox"/> | <input type="checkbox"/> |

| COVERAGE AMOUNT (CONTINUED)                                                                                                                                                                                                                                                                                                                                                                                                                                                         | YES                      | NO                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| ■ Financial Needs Analysis — Calculate a principal sum that will meet your survivors' lump-sum and ongoing future income needs (target can allow for liquidation or aim for capital preservation).                                                                                                                                                                                                                                                                                  |                          |                          |
| > Are your coverage needs temporary, or will they decrease as time passes?                                                                                                                                                                                                                                                                                                                                                                                                          | <input type="checkbox"/> | <input type="checkbox"/> |
| > Do you have any coverage currently in place?<br>If so, consider the following:<br>■ Review the terms of the policy (premiums, death benefit, cash value, coverage term, riders, etc.), and assess whether it meets your needs.<br>■ If you have a term policy, determine whether you can convert to a permanent policy and whether this would be advantageous.<br>■ Any additional policies should complement or replace your current coverage. A 1035 exchange may be advisable. | <input type="checkbox"/> | <input type="checkbox"/> |

| POLICY OPTIONS                                                                                                                                                                                                                                                                                                                                                                                                  | YES                      | NO                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| > Does your employer offer group life insurance as a benefit?<br>If so, consider the following:<br>■ This may be a cost-effective option for many individuals.<br>■ Review the standard death benefit offered as well as any opportunity to increase with supplemental coverage.<br>■ If the policy is not portable or convertible, note the risk associated with leaving your employer or a decline in health. | <input type="checkbox"/> | <input type="checkbox"/> |
| > Will you purchase a policy directly from an insurance company?<br>If so, review the ratings, financial strength, and history of the carriers you are considering. (continue on next page)                                                                                                                                                                                                                     | <input type="checkbox"/> | <input type="checkbox"/> |

# [YEAR] · WHAT ISSUES SHOULD I CONSIDER WHEN PURCHASING A LIFE INSURANCE POLICY?

| POLICY OPTIONS (CONTINUED)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | YES                      | NO                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <p>Do you need to review the basic types of life insurance policies?</p> <p>If so, consider the following:</p> <ul style="list-style-type: none"> <li>Compare different types of insurance plans, including term (annually renewable and level premium), whole life, variable, universal, and variable universal.</li> <li>Weigh the features (e.g., cash value, premium flexibility, death benefit guarantee, etc.) and the costs of the different policies against your financial goals.</li> <li>If you are married, review whether joint policy options (first-to-die or second-to-die) might suit your situation.</li> </ul>                                                                                                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Do you need to consider any living benefit riders to enhance your basic coverage?</p> <p>If so, consider the following:</p> <ul style="list-style-type: none"> <li>Living benefit riders could provide an advance on death benefits.</li> <li>Accelerated death benefit riders would provide funds if you are diagnosed with a life-threatening condition or are terminally ill.</li> <li>Disability and waiver of premium riders could protect you in the event you can't work and can't pay premiums.</li> <li>Guaranteed insurability could allow you to increase coverage in the future without an additional medical exam.</li> <li>Long-term care riders can allow use of your death benefit to cover costs of long-term care.</li> </ul> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Do you need to consider any death benefit riders to enhance your basic coverage?</p> <p>If so, consider the following:</p> <ul style="list-style-type: none"> <li>Death benefit riders could provide additional support to your beneficiaries.</li> <li>An accidental death benefit or accidental death and dismemberment rider could provide additional protection should you suffer a covered accident.</li> <li>A family income benefit rider could provide monthly installments, rather than a lump sum payment, if your beneficiaries would be better protected with a recurring income stream.</li> </ul>                                                                                                                                 | <input type="checkbox"/> | <input type="checkbox"/> |

| MISCELLANEOUS                                                                                                                                                                                                                                                                                                                                                                                                                                      | YES                      | NO                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| <p>Do you have any health issues that might present barriers or increase the costs of coverage?</p>                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Do you need help understanding the material representations, medical exams, and other documentation you must submit during the application process?</p>                                                                                                                                                                                                                                                                                         | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Do you need to choose proper beneficiaries?</p> <p>If so, be sure to properly complete beneficiary designation forms after purchasing your policy. Life insurance is a nonprobate asset, unless your estate is the beneficiary (by designation or by default).</p>                                                                                                                                                                              | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Will your beneficiaries need assistance managing the proceeds?</p> <p>If so, consider naming a trust as beneficiary. The trustee will collect the proceeds after your death and administer the trust according to your wishes.</p>                                                                                                                                                                                                              | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Do you need to review the optimal policy ownership?</p> <p>If so, consider the following:</p> <ul style="list-style-type: none"> <li>If properly owned by an irrevocable life insurance trust (ILIT), the death benefits of a life insurance policy will not be included in your taxable estate at your death.</li> <li>Review state laws regarding taxation of death benefits. Some states tax proceeds that are paid to an estate.</li> </ul> | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Do you need to create a plan to ensure premium payments are timely made?</p> <p>If so, be sure to set up a reliable reminder of payment deadlines in order to avoid entering a grace period or causing a policy to lapse.</p>                                                                                                                                                                                                                   | <input type="checkbox"/> | <input type="checkbox"/> |
| <p>Do you have children who should be insured?</p> <p>If so, consider adding a children's term rider to your coverage as an alternative to a separate policy.</p>                                                                                                                                                                                                                                                                                  | <input type="checkbox"/> | <input type="checkbox"/> |