



Life Insurance LookBook

Your guide to the ins and outs
of life insurance

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NavyMutual.org/Life-Insurance

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Life insurance can be complicated. Use the contents table to find information relevant to your questions and your family's specific needs.

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Not seeing what you need? Give us a call at 800-628-6011 or send us an email at counselor@navymutual.org. We're here to help.

Please note: The Navy Mutual Life Insurance LookBook is meant to be a basic instructive guide, with information that generally applies to most situations. It should not be construed as individual legal or tax advice. It is not meant to replace the services of a financial planner, insurance counselor, or tax adviser. Programs mentioned and other information contained in this LookBook may change on occasion.



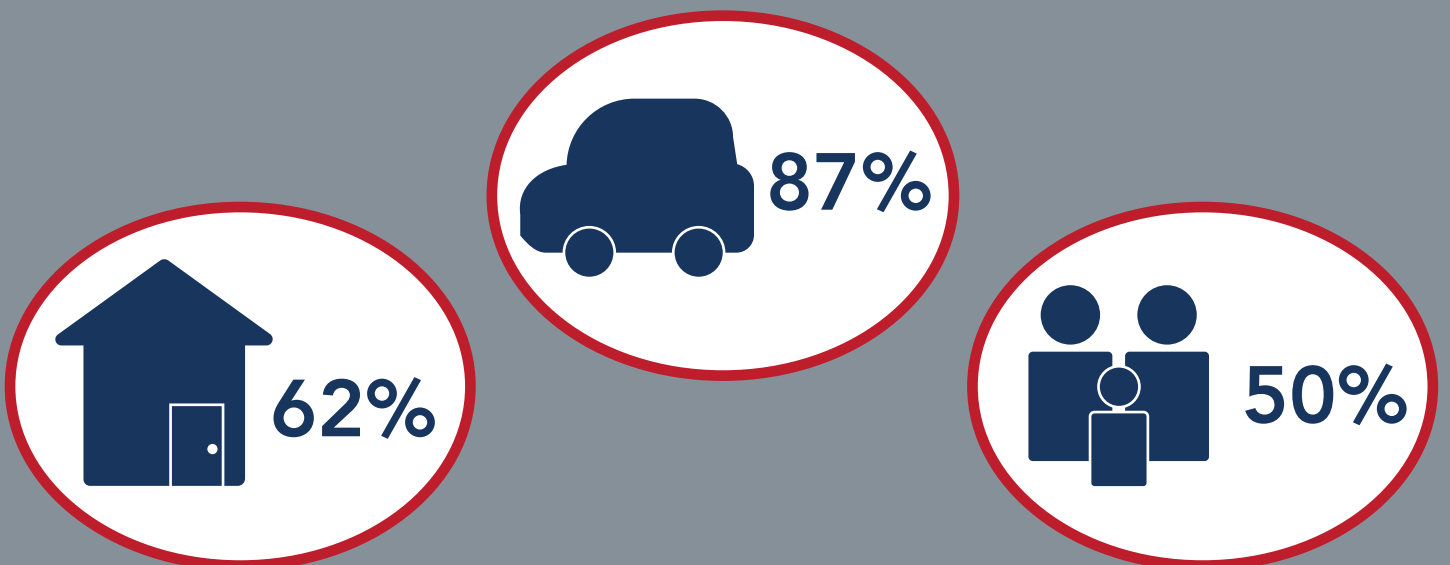
Why Is Life Insurance so Important?

Having the right amount of life insurance ensures that, should you pass away, your beneficiaries will have the financial resources in place to protect their income and pay for immediate and future financial obligations. Life insurance proceeds are paid quickly to beneficiaries without the delay of probate and are generally paid out tax free.

Without life insurance, surviving family members may be left struggling to support themselves on a single income or have trouble paying large bills for education, hospital stays or long-term care costs, and burial expenses. Life insurance provides peace of mind and allows families to grieve without immediately worrying about finances and whether they will be able to continue making rent or mortgage payments on time or have to put more expenses on a credit card. In short, life insurance provides financial protection to those you love.

Did you know?

More people protect their things with insurance than their loved ones with life insurance.



Sources: Annuity.org, Safewise.com, PolicyAdvice.net

Life Insurance Beneficiaries

An important part of applying for a life insurance policy – and maintaining it once it's active – is designating who you want to be the beneficiary (or beneficiaries) of your policy. The primary purpose of most life insurance policies is to cover any final expenses after your passing and provide financial support to loved ones who rely on your income. Designating and updating your policy's beneficiaries is an important step toward ensuring the death benefit is used for your intended purposes.

A beneficiary is the person or legal entity that will receive the death benefit from an active life insurance policy when the insured passes away. The owner of the policy, who may also be the insured, names the beneficiary. This is true regardless of what the insured's Last Will and Testament states, meaning that the designated policy beneficiary will take precedence over a will when determining who receives the insurance benefit.

Typically, individuals name the person(s) who would be most financially impacted by their death – often a spouse or child(ren). However, you could also name a parent, a business partner, or just about anyone who has a financial interest in your life. In fact, beneficiaries do not have to be individuals. You could designate a business, charity, or legal entity, like a trust.

There are two types of beneficiaries:

- **Principal (or primary) beneficiaries:** The principal beneficiaries are those who are designated to receive all or a portion of the death benefit upon the death of the insured.
- **Contingent (or secondary) beneficiaries:** Contingent beneficiaries are backup beneficiaries, who will receive all or a portion of the death benefit if the principal beneficiaries are not living at the time of the insured's death.

If there is no surviving beneficiary, the death benefit is payable to the deceased's estate. This can slow down the disbursement of the death benefit as the estate goes through probate and the court system decides how to allocate the insured's assets and to whom they will be given.



Do You Need Life Insurance?

If your financial obligations exceed the assets that you have available to meet those financial obligations, you need life insurance. Consider debt that will not be assumed by another (like personal loans, vehicle loans, credit card debt) and will need to be immediately repaid, and debt that will be assumed by another (like the mortgage on a jointly-owned home) and will need to be repaid over time, but without your income contributions. Life insurance can help maintain your family's standard of living and give them critical support during a trying time.

How Much Life Insurance Do You Need?

Various methods can be used to calculate an individual's need for life insurance:

- The Human Life Value: the present value of the family's share of the wage earner's future income.
- Capital Retention: preserving assets to have the beneficiary's financial needs supported by income from the assets.
- The Needs Approach: considering assets and income available at death to pay for outstanding financial obligations.

We find the **needs approach** to be the most helpful method for calculating the amount of life insurance needed to protect one's family. It subtracts an individual's total assets from their financial obligations to determine the amount of life insurance required to fulfill the remaining obligations after the assets are exhausted. Below is a list of some of the financial obligations and assets that should be considered in your insurance needs calculation.

A needs analysis calculator is available at [NavyMutual.org](https://www.navymutual.org)

Financial Obligations	Assets
<ul style="list-style-type: none"> • Future income for any beneficiaries • Outstanding debts (credit cards debt, student loans, vehicle loans) • Estate taxes and administrative expenses • Business expenses • Child(ren)'s education expenses • Funeral and burial expenses • Mortgage payments • Final illness, long-term care, or hospital expenses 	<ul style="list-style-type: none"> • Investments (stocks, bonds) • Life insurance policies • Retirement funds (IRAs, 401(k)s, TSP accounts, pension funds) • Survivor Benefit Plan • Bank accounts (checking, savings, CDs) • Annuities with survivor rights • Real estate • Social Security

Financial Obligations — Assets = Needed Insurance*

*For the full worksheet, go to page 16.

What Is SGLI?

Servicemembers' Group Life Insurance (SGLI) is an insurance policy provided and subsidized by the federal government that offers up to \$500,000 in coverage to all active duty servicemembers. It is paid for through a monthly pay deduction of \$2.50 per \$50,000 of coverage -- with full coverage costing \$25 per month. All servicemembers with SGLI coverage are automatically given Traumatic Injury Protection (TSGLI), which provides up to \$100,000 in short-term financial support to servicemembers who receive a severe injury for an additional \$1 per month.

All servicemembers with SGLI and TSGLI are covered at the same cost, regardless of their health.

The SGLI program also offers life insurance coverage for family members under the Family SGLI program. Spouses of servicemembers who have SGLI are eligible for coverage of up to \$100,000 with premium prices that are determined by their age, while children are offered \$10,000 of coverage (until age 18) at no cost.

Servicemembers are automatically given the maximum amount of SGLI coverage. If they wish to reduce their coverage or refuse coverage altogether, they must submit a request through the SGLI Online Enrollment System.

TSGLI coverage ends upon the servicemember's separation, while SGLI and Family SGLI expire 120 days after servicemembers separate from the military. At this time, Veterans' Group Life Insurance (VGLI) becomes available. VGLI may be a good option for retirees and veterans who may not be eligible for commercial life insurance policies due to their health or disability status.

Servicemembers may also convert their SGLI coverage to a commercial permanent life insurance policy within 120 days of their separation or retirement without the need for medical underwriting.

SGLI Basics

- SGLI is automatically provided to all servicemembers at the level of \$500,000 with no need for the servicemember to undergo medical underwriting.
- Servicemembers are covered for the same cost regardless of health.
- Servicemembers must make a request to change or refuse SGLI coverage.
- Coverage is paid for through an automatic monthly deduction from a servicemember's military pay.
- SGLI's Accelerated Death Benefit Option allows for the receipt of up to 50% of the death benefit if the servicemember is diagnosed with a terminal illness and has fewer than nine (9) months to live.
- Free financial counseling services are available to beneficiaries of SGLI policies for two years following a claim settlement.
- For most servicemembers, coverage ends 120 days after the servicemember leaves the military.
- Servicemembers can enroll in VGLI without needing to undergo medical underwriting provided they apply within 240 days of separation; this is vital to maintaining coverage for servicemembers who are unable to qualify for commercial life insurance.
- Servicemembers can enroll in VGLI for up to one year and 120 days following their separation from service.

SGLI Traumatic Injury Protection Program (TSGLI)

- All servicemembers with SGLI are also enrolled in TSGLI for \$1 per month.
- TSGLI provides up to \$100,000 of disability compensation to provide support while a servicemember recovers from a severe and traumatic injury, including the loss of limbs.
- Servicemembers who decline SGLI are not eligible for TSGLI.



Family SGLI (FSGLI) Coverage

- FSGLI provides up to \$100,000 of coverage to the spouses of active duty, National Guard, and Reserve servicemembers and \$10,000 to each dependent child under age 18.
- Coverage is automatic for civilian spouses; military spouses who were married on or after January 2, 2013 must opt in to receive FSGLI coverage.
- Servicemembers must pay for FSGLI coverage for their spouses; these premiums are determined by the FSGLI coverage amount and the spouse's age, and increase in five-year increments after the spouse reaches age 35.
- Children are covered at no cost through age 18. To maintain coverage after age 18, a child must be a full-time student or permanently and totally disabled without the ability to support themselves.
- Spousal coverage may be converted to a commercial permanent life insurance policy within 120 days of the servicemember's separation or retirement, divorce, written election to end FSGLI or SGLI coverage, or the servicemember's death.

Pro Tips:

SGLI and FSGLI coverage are assets that become available upon the death of the insured. If your financial obligations still exceed your assets, you may need more coverage.

Consider different scenarios: if you were to pass away, if your spouse was to pass away, and if you both were to pass away.



Veteran's Group Life Insurance (VGLI)

- VGLI provides up to \$500,000 of coverage to veterans who were covered by SGLI while on active duty.
- Initial coverage amount is linked to the amount of SGLI coverage that the veteran had while on active duty; if less than full coverage, the veteran can increase coverage in \$25,000 increments – up to the maximum – every five years.
- VGLI is renewable at five-year intervals; premiums will increase at these intervals as well.
- Premiums are based upon the age of the veteran and the coverage amount elected.
- No proof of insurability or medical underwriting is required, provided the veteran applies for VGLI within 240 days of separation or retirement.
- VGLI enrollment is available for up to one year and 120 days after separation or retirement; veterans who apply after the first 240 days have passed may be required to undergo a medical exam.
- VGLI's Accelerated Death Benefit Option allows for payout of up to 50% of the death benefit if the veteran is diagnosed with a terminal illness and has fewer than nine (9) months to live.
- Free financial counseling services are available to beneficiaries of VGLI policies for two years following a claim settlement.
- Because no medical exam is required, premiums may be higher than those offered by a commercial insurer to a healthy individual.

To compare VGLI to Level Term, go to page 8

VA Life

- VA Life is permanent life insurance offered to all veterans under 80 years old who have a disability rating.
- VA Life provides up to \$40,000 of guaranteed whole life insurance coverage to all eligible veterans who enroll; no proof of good health is required.
- Coverage becomes effective two years after enrollment and lasts for the duration of a veteran's life.
- Veterans must be under age 80 and hold a disability rating between 0% and 100% to be eligible.
- Premiums are based on the veteran's age at the time of their application and the coverage amount chosen. Premium rates will never increase over the life of the policy.

What Other Types of Life Insurance are Available?

There are two basic classes of life insurance: term and permanent.

Term

Is there for your loved ones *if* you die.

VGLI is
term insurance

Provides death benefit coverage for a specified period of time with a premium that is initially low relative to permanent insurance premiums. Premiums are initially low because most contracts do not cover individuals through old age, when death is most likely to occur.

The premium is based on the type of term policy you elect, the amount of coverage, risk status (smokers and people in poor health or with dangerous lifestyles generally pay higher premiums), your current age, and the age to which coverage is desired. Term insurance policies that provide a death benefit at older ages normally have substantially higher premiums. The death benefit can be **level** or **decreasing** (see page 8).

Term insurance does not have a cash value. If you terminate a term life insurance policy, the money you paid in premiums is not recoverable, with few exceptions.

Permanent

Is there for your loved ones *when* you die.

VA Life is
permanent
insurance

Provides insurance for the insured's entire life, not just for a limited period, while also providing a savings element known as the policy's cash value. The cash value is available to the policy owner by taking a loan against the cash value, making a partial withdrawal, or terminating the policy.

Premiums for permanent coverage will be higher than term insurance because there is not just a chance that the death benefit will be paid out; it will be paid out as long as policy premiums are paid.

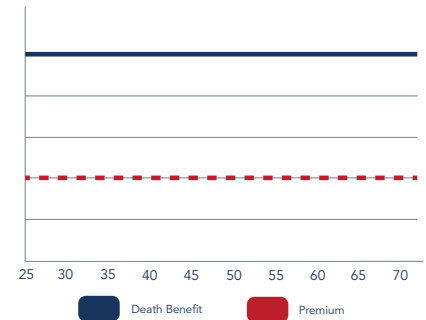
Premiums are based on the type of permanent policy you elect, the amount of coverage, your current age, risk status (smokers and people in poor health or with dangerous lifestyles pay higher premiums), and the number of years that you wish to take to pay off the policy. You may elect to pay off the policy with a single payment, or over a period of time, such as seven (7), 10, or 20 years, or you may elect to make payments for life.

Permanent policies can have either **level** or **increasing** death benefits (see page 9).

Term Insurance Types

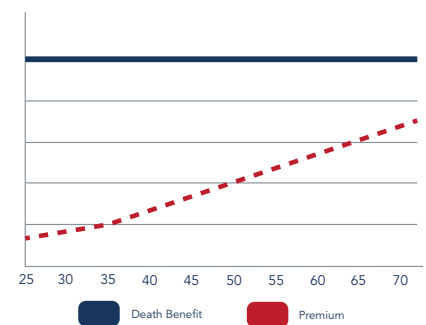
Level Term

The death benefit and the premium will both remain level until the end of a specified term, at which point the policy will be terminated. The premiums for these policies are generally more expensive than decreasing term, due to the level death benefit.



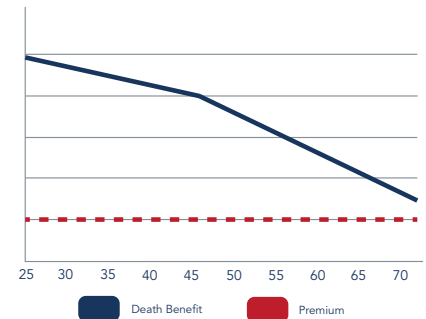
Renewable Term

The death benefit will remain level while the premium systematically increases after a period of time (e.g., every one, five, or 10 years). In the later years of the policy, premiums continue to increase and can become cost prohibitive. However, renewing your coverage after each term period is guaranteed and does not require additional evidence of medical insurability.



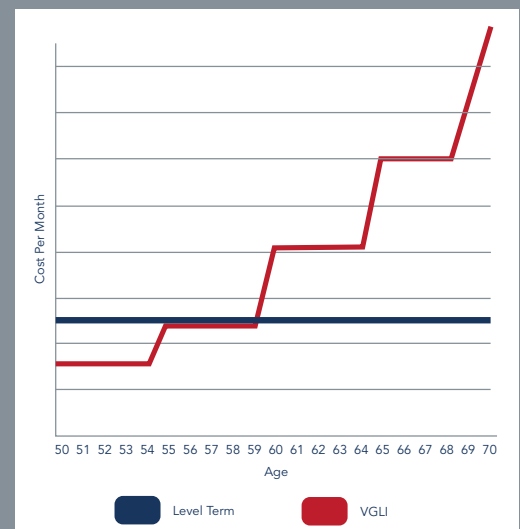
Decreasing Term

The death benefit systematically decreases after a period of time passes (e.g., every one, five, or 10 years) until the policy is either terminated as a result of completing the term or the coverage becomes level at a very low value for the remainder of the insured's life. Premiums for this policy are generally low and will remain level as the death benefit decreases.



How Does Level Term Compare to VGLI?

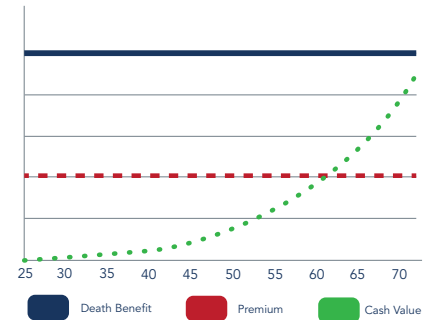
VGLI and level term policies start with similar monthly costs when the insured is young. However, as the insured ages, VGLI premiums increase while level term premiums remain the same. Over the life of a policy, an individual would likely pay more for VGLI coverage than level term coverage. However, VGLI does not require a medical exam and is a viable option for veterans who may not otherwise qualify for a commercial policy.



Permanent Insurance Types

Whole Life

Permanent life insurance that provides a guaranteed level death benefit for a fixed premium that is paid for the duration of the insured's life (usually defined as age 95 or 100). This policy will have a guaranteed schedule of future cash values and allowable loan amounts.

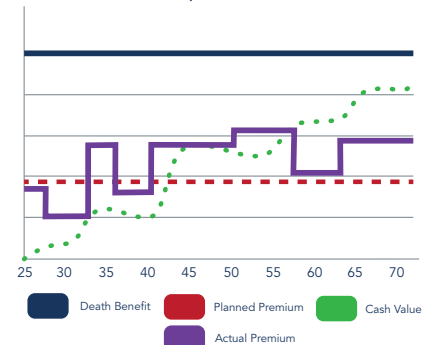


Universal Life (or Flexible Premium Life)

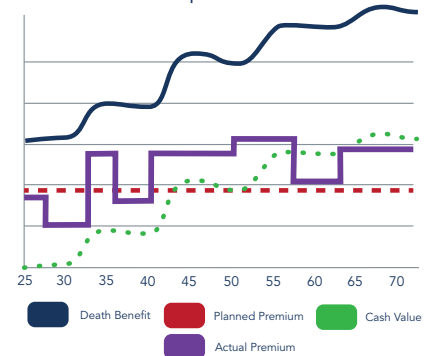
Permanent life insurance with a savings element that features an adjustable death benefit and flexible premiums. The policy's cash value savings element grows through interest payments made by the insurer or through earnings that are tied to the market performance of an index fund; however cash value will not decrease with market downturns. Premium payments may be fixed or flexible. Fixed payments may not be large enough to pay for the policy and may require the policy owner to make additional payments; flexible payments allow the policy owner to overpay and put money directly into the cash value savings element of their policy.

The policy owner may choose between a level death benefit (option A) and an increasing death benefit (option B). If premium payments are not large enough or if the owner skips payments, the insurer will draw payments from the policy's cash value savings element. If there are not enough funds to continue making premium payments, the policy could lapse. The policy's coverage can be decreased (within limits), and the policy's coverage may be able to be increased (with evidence of insurability) without the policy owner having to purchase a separate policy.

Option A



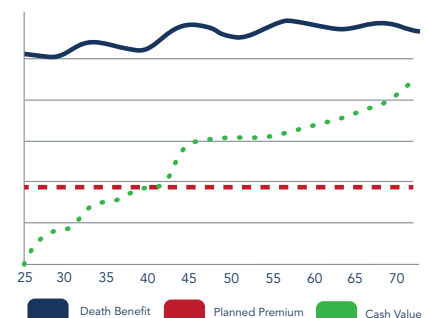
Option B



Variable Life

Permanent life insurance that provides no guarantee of either interest rate or minimum cash value and is tied to the performance of investment subaccounts selected by the policy owner. The death benefit and cash value of the policy will vary depending on the investment performance of the policy.

The owner assumes all investment risk, and consequently, can benefit directly from favorable results or bear the loss of unfavorable investment performance. Theoretically, if poor investment performance and/or the high cost of insurance charges lowered the cash value to \$0, the policy would be terminated. For each potential investment that the policy owner has available to choose from, a prospectus is available.



Did you know?

Additional options, called riders, can be added to life insurance policies depending on your family's needs.

Optional riders may include:

- Child Coverage
- Chronic Illness Coverage
- Terminal Illness Coverage



What Type of Life Insurance Is Right for You?

Determining the appropriate type of insurance to buy involves several factors, including:

- **The type of financial obligation you are covering**
- **The amount of time you will need the coverage**
- **The amount of money you can afford to put toward premiums**

Generally speaking, there are two times when **term life insurance** coverage is most appropriate:

1. **You have a temporary financial need for a specific period of time, including a deployment, the length of a mortgage, or the duration of a child's education.**
2. **You need permanent protection, but cannot currently afford the premiums for permanent insurance.**

In the first case, you would simply need to purchase a term policy for the duration of time you wish to provide protection for your family. In the second case, you would purchase and maintain a term policy that fits your budget until your financial situation allows you to purchase a permanent insurance policy.

With that in mind, there are two important features of term insurance that need to be understood and considered when buying term insurance: **Renewability** and **Convertibility**. Note that there may be an extra premium charge for these two features.

Renewable Term

A renewable policy is one that can be renewed (extended) without proof of insurability, meaning that you do not have to undergo a medical exam in order to extend the policy. The renewable premium will be higher than the initial premium and based on renewal age. This is important if the period for your temporary need gets extended.

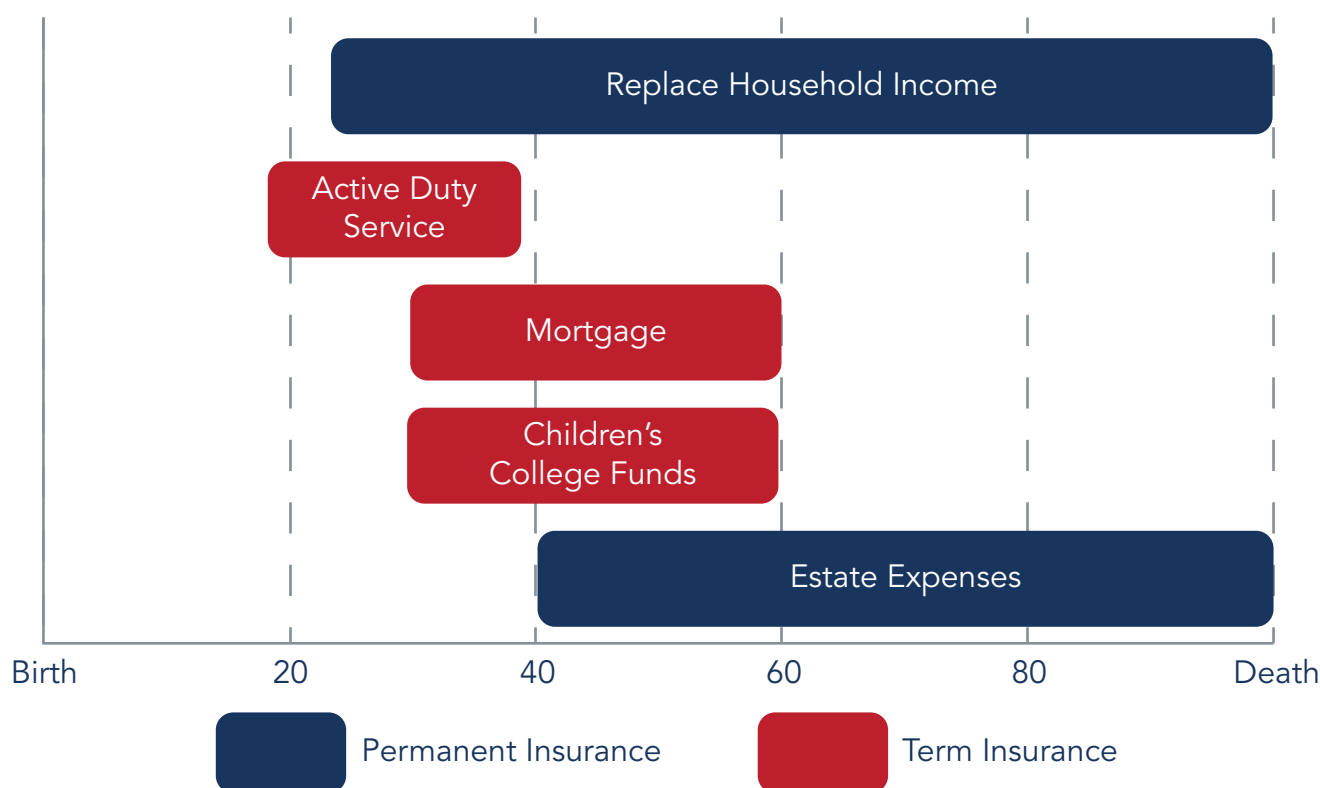
Convertible Term

A convertible policy is one that can be converted to permanent insurance without proof of insurability. This is important for those who want permanent insurance but cannot yet afford it.

Alternatively, **permanent life insurance** policies are used to cover expenses that will remain throughout the insured's lifetime or for an indefinite duration, while also providing cash value that the policy owner can borrow against.

Insurance Needs and Types

Various reasons for obtaining life insurance coverage will arise during a person's lifetime and may range from long-term needs to comparatively short-term needs. The graphic below shows the type of insurance that may be most appropriate for a select number of needs.



It is likely that you will have overlapping needs throughout your life, requiring different types of coverage. It's important to understand that, if you have multiple liabilities, it may be best to have multiple insurance policies. This is common and entirely appropriate.

Pro Tip:

Think about how your family's financial obligations will change in the future. Will the obligations decrease, like a mortgage? Will the obligations increase, like replacement income needs? Will they remain level?

Your life insurance policy should meet your needs while also fitting your budget. An insurance representative can help you evaluate your options.

Insurance Types and Basic Features

	Term		Permanent		
	Decreasing	Level	Whole Life	Universal Life	Variable Life
Are the premiums guaranteed to remain level until your policy terminates?	Maybe	✓	✓	✗	✓
Can I pay a higher or lower premium whenever I want?	✗	✗	✗	✓	✗
Does the policy accumulate cash value?	✗	✗	✓	✓	✓
Can I take policy loans?	✗	✗	✓	✓	✓
Do I choose where the premiums are invested?	✗	✗	✗	✗	✓
Will the death benefit remain level?	✗	✓	✓	Maybe	✗

*Note: Life insurance policies differ from company to company. It is important to contact each life insurance company directly to learn all of the details before purchasing a policy.



What Insurance Riders Can Be Attached to Your Policy?

Insurance riders are separate features purchased with additional premiums and attached to your primary insurance coverage to provide supplemental benefits. To receive the benefits of a rider, certain conditions must be met. These will be explained in your policy documents and may vary from policy to policy.

Accidental Death (or Double Indemnity)

If the insured should pass away as the result of an accident, an additional amount of death benefit will be paid out to the beneficiary.

Child Coverage

Provides a death benefit in the event of a child's death prior to a specified age.

Chronic Illness

Allows a chronically ill insured who needs assistance with activities of daily living to access the death benefit to offset the costs associated with the chronic illness.

Cost of Living

Permits the policy owner to purchase an inflation-adjusted, one-year term insurance increase equal to the percentage change in the Consumer Price Index with no evidence of insurability.

Disability

Upon diagnosis or proof of a qualifying disability, income payments can be made to the disabled policy owner in the form of an annuity for a set period of time.

Guaranteed Insurability

Allows the insured to purchase a predetermined amount of coverage at certain times in the future without having to undergo a medical exam or additional underwriting.

Long-Term Care

In the event an insured is required to go into a nursing home or receive home care, an annuity from the death benefit is paid out to the insured to defray some of the nursing care payments.

Terminal Illness

Allows a terminally ill insured with an abbreviated life expectancy (usually less than one or two years) to receive all or part of the death benefit while still living.

Waiver of Premium

Guarantees that future life insurance premiums will be paid in the event that the insured becomes disabled prior to a specified age.

Shopping for the Best Coverage

Once you have determined the type of policy and amount of coverage required to protect your loved ones, your next step is to shop for the best coverage. There are several considerations to keep in mind:

- ✓ Always compare similar policies and features (i.e., compare a term policy to a term policy and a permanent policy to a permanent policy).
- ✓ Shop around and get quotes from different insurers.
- ✓ Compare premiums and ask if they can change in the future.
- ✓ Be aware of any commissions, surrender fees, or loads.
- ✓ Understand the guaranteed features, if any, of the policy.
- ✓ Ask for the crediting rate and crediting rate history (if applicable).
- ✓ For new permanent policies, ask for and compare net payment and surrender cost indices.
- ✓ Compare cash surrender values and future death benefits using a realistic crediting rate.
- ✓ Ask about the financial security of the insurance company.

Pro Tip:

Comparing policies can be confusing, but there's no need to let the comparison process to get the best of you – have an insurance counselor or financial planner review your different quotes.

When Should You Review Your Life Insurance Needs?

Review any current policies and your life insurance needs every year, or every time a major life change occurs. Reevaluate your coverage needs when getting married, having children, buying a house, transitioning out of the military, retiring, etc.

Pro Tip:

Keep all life insurance papers in a safe, accessible location. Make sure that a few trusted people in your life know that they exist and where to find them in the event of your death.

Checklist: Canceling or Replacing Your Current Policy

When thinking about replacing your coverage, consider the following:

- **Get quotes and compare policies to your existing policy.** If you're not sure how the policies compare contact an insurance counselor or financial planner.

Note: When comparing permanent policies, always assume you are transferring the cash value of your current policy as a lump sum to the new policy. This provides a more accurate comparison.
- **Are you medically insurable?** Never terminate your current policy before knowing that you have been approved for the replacement coverage.
- **Is there a surrender charge?** Many insurance providers charge a surrender fee when a policy is terminated. This should be taken into account when considering whether to replace a policy. Contact your current life insurance provider for details on your existing permanent policy.
- **Request a 1035 exchange.** If you are planning to replace your existing permanent policy, transferring the policy through a 1035 exchange will move the cash value and tax basis of your current policy to your new policy without triggering a taxable event.

How Will My Beneficiaries Receive a Death Benefit?

Life insurance companies typically offer a variety of payment options. You may select a payout option prior to the death of the insured. If no option is designated, the beneficiaries of the life insurance policy may choose to receive the death benefit under the options shown below.

Be sure to keep your beneficiary designations up to date.

Lump Sum Payment	The beneficiary will receive the full amount of the death benefit at one time.
Fixed Period	The death benefit can be received as an annuity over a fixed period of one to 30 years. If the annuitant should die during the fixed period, the remaining principal will be paid in full or payments will continue for the remainder of the fixed period to the beneficiary.
Fixed Amount	The death benefit will be paid in equal amounts every month until the entire benefit has been paid. If the annuitant should die during the fixed-amount payment period, the remaining benefit will be paid in full or payments will continue to the annuitant's designated beneficiary until the full amount is paid.
Interest Only	Interest payments are paid by the life insurance company on the amount of the proceeds retained. The death benefit remains available for full or partial withdrawals at any time, or may be converted to an annuity payout option. Interest payments continue until the option is surrendered or converted to another option.
Life Income	The death benefit will be paid for the life of the beneficiary. The annuitant may elect an option with the life income annuity, known as a guaranteed period certain, which ensures that payments will be paid to a second beneficiary if death of the annuitant should occur within a certain number of years after the purchase of the annuity. The years which may be elected under the guaranteed period certain option are typically five, 10, 15, or 20 years. Should the annuitant pass away during the guaranteed period certain, payments will continue to the new designated beneficiary for the remainder of the period certain.

Life Insurance Needs Analysis Worksheet

Use this worksheet to estimate your current life insurance needs. Note that this is an estimate; it is not intended to replace the advice of a financial planner or insurance specialist.

Section I: Lump-Sum Liabilities and Assets

Liabilities

1.	Death expenses..... <i>Burial, funeral, and estate settlement expenses. Typically \$10,000 or 4% of estate, whichever is higher. Estates over \$1.5 million may cost more.</i>	\$
2.	Outstanding mortgages..... <i>Amount of mortgage to be paid at death.</i>	\$
3.	College fund..... <i>Total estimated lump-sum costs needed to provide for future college expenses.</i>	\$
4.	Personal debts..... <i>All personal debts such as vehicle loans, outstanding credit card balances, etc.</i>	\$
5.	Other..... <i>Any other lump-sum expenses not accounted for above.</i>	\$
6.	Total lump-sum liabilities..... <i>Add lines 1 through 5.</i>	\$

Assets

7.	Current savings and investments..... <i>The current value of investments and bank accounts (including mutual funds; stocks; funds contained within a TSP account, IRA, or 401(k); savings accounts; etc.)</i>	\$
8.	Current life insurance..... <i>The sum of all death benefits for all insurance policies for which you are the insured.</i>	\$
9.	Other lump-sum assets..... <i>Other lump-sum assets that will be sold or received (including lump-sum pension benefits, sale of property, etc.) to provide money for supporting the beneficiaries.</i>	\$
10.	Total lump-sum assets..... <i>Add lines 7 through 9.</i>	\$
11.	Needed lump-sum amount..... <i>Subtract line 10 for 6. If the value is a negative value, enter that amount, not \$0. The negative value will be used to reduce the total of line 21.</i>	\$

Section II: Recurring Income

Liabilities

12. Annual target life income for beneficiary.....
Desired annual income to support your beneficiary's living expenses.

\$

Assets

13. Annual Survivor Benefit Plan income (if applicable)
For more information on the Survivor Benefit Plan, contact us at 888-298-4442.

\$

14. Annual Social Security income (if applicable)
Contact the Social Security Administration at 800-772-1213 for a statement on survivor benefits.

\$

15. Annual survivor pension income.....
Contact your plan administrator or examine your pension documentation for an explanation of your pension plan survivor benefits. If benefits are paid in a lump sum, place that value in line 9, not in line 15.

\$

16. Other annual income
Beneficiary's earned income and miscellaneous annual investment income (including income from rental properties, annuities, etc.).

\$

17. Total annual income assets.....
Add lines 13 through 16.

\$

18. Needed annual income
Subtract line 17 from 12.

\$

19. Insert life income factor shown below that corresponds to your beneficiary's closest age
(e.g., your beneficiary's age is 37, so the closest life income factor is 17.960.)

\$

Life Income Factor for Beneficiary's Current Age

27 18.811	30 18.560	33 18.275	36 17.960	39 17.581	42 17.182
45 16.734	48 16.213	51 15.635	54 15.015	57 14.343	60 13.617
63 12.821	66 11.973	69 11.023	72 10.040		

20. Lump sum needed today to provide beneficiary's annual target life income*
Multiply line 18 by the life income factor in line 19.
**Assumes a Monthly Life Income Option with a Five-Year Period Certain is elected as the annuity payment. Adjust if another option is selected.*

\$

21. Additional life insurance needed.....
Add lines 11 and 20. If 11 is a negative value, remember that 11 reduces the value in 20.

\$



We're Here to Help.

Whether you have questions or concerns or are ready to take the next step, Navy Mutual is here to help. Any number of life events can substantially alter your family's financial security. Ultimately, life insurance provides you with peace of mind to combat financial worries, and our mission is to help you achieve that.

For over 140 years, Navy Mutual has been providing affordable life insurance and annuities to active duty and retired servicemembers, veterans, and their families. We're here when you and your loved ones need us most. We're with you for life.

Questions? Contact Us

800-628-6011

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