



PlanPlus

Income Replacement Versus Expense Approach to Insurance Needs Analysis

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Financial Frontier Awards Submission 2008

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Submitted by

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Biography

Shawn Brayman is the president of PlanPlus Inc., a Canadian-based firm that provides financial planning software and training worldwide. Shawn has a BSc and Masters Degree from York University, Toronto. Shawn was the recipient of the Financial Frontiers Award in 2007.

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Title: **Income Replacement vs. Expense Approach Insurance Needs Analysis**

Executive Summary:

Financial Advisors commonly use three methodologies to determine client life insurance needs: Income Replacement (IR), Expense Analysis (EA) or Hybrid Models (HM). This paper compared these techniques for over 2,300 actual cases and determined:

- IR overstated requirements 73.4% of the time, by an average 68.9% compared to EA.
- IR understated needs 20.8% of the time. It was determined that Advisors articulated 28.5% more goals and averaged 15.7% higher replacement percentages, with the more robust discovery methods of EA.
- Even when IR overstated needs, it was determined EA uncovered 19.8% more needs and averaged a 9.3% increase in average replacement amounts.
- Needs for younger or higher income clients were more frequently overstated.
- Client net worth was not a significant factor.
- When debt repayment was added as an immediate need, IR overstatement increased from 73.4% to 78.5%.
- When retirement age was used to determine the income replacement period, overstatement dropped from 73.4% to 47.8%.
- A random review of insurance needs calculators illustrated significant variation. At least half the calculators stated an insurance need greater than full replacement of the deceased's after- tax income.

Overview

The two primary approaches to insurance needs calculations are Income Replacement (also called Human Capitalization Amount), a calculation of the present value of future income, and Expense Approach (sometimes called Capital Needs Analysis or Needs Fulfillment Method), which is the present value of estimated future expenditures, net of income, or the “gap”.

The Income Replacement methodology is widely used due to its simplicity. All an advisor needs to know to calculate insurance needs are: the client’s age, current salary and current insurance coverage; along with some assumptions around the number of years of income to replace, rate of return and the percentage of salary to replace (usually something like 60% or 70%).

The Expense Analysis is a more involved calculation. It requires information about the survivor’s current salary or ability to return to work, the expenses that are anticipated for their life (including retirement) until normal mortality, proposed savings, available pensions and more.

Additionally, many hybrid models exist that begin with an income replacement model, but may then add in additional expenses, like mortgage paydown, children’s education; or need reduction by subtracting other assets.

Which is the appropriate methodology for financial planners to use?

“Life insurance can be viewed as an insurance policy that is protection against the loss of an asset, in this case, the insured’s human capital. From this viewpoint, the theoretically correct face-value amount to insure is the value of the insured’s human capital, which is simply the present value of the insured’s expected lifetime income.”ⁱ

From an academic perspective, if the client has unlimited funds, this seems reasonable: however, in the real world, clients must often choose between, for example, paying insurance premiums and contributing to an education savings program – you can only spend your money once.

“Although the pricing of insurance is a rigorous and scientific discipline, determining the amount of insurance coverage is not. Many people mistakenly believe that you can never have too much insurance. I disagree. I think that there is an upper bound (the income approach) and a lower bound (the expense approach), and anything in between is fair game.”ⁱⁱ

Most textbooks, articles and websites acknowledge that the Income Replacement approach is analytically inferior but appealing because of the simplicity of its calculation. The Expense Approach is recognized as a more robust analysis, but more difficult to implement, because of the added effort to estimate future needs.

The question becomes, how big a difference does it make to the client? In an industry where there are competing responsibilities, an advisor may be compensated for the insurance sale – however, as a planner, has a fiduciary responsibility – is it appropriate that any value between these extremes “is fair game”? Caveats may acknowledge the income replacement method as an inferior way to calculate the need, but is a disclaimer sufficient to ignore the degree of inferiority?

To what extent might advisors and their firms be allowing the “convenience” of simpler analysis to justify providing poor advice to the client? It may be easy for a product sales person to rationalize that “you can’t go wrong by selling more insurance than the client really needs”, however, this is not the sign of a professional financial planner. Money spent on unnecessary insurance premiums could be at the expense of retirement savings, children’s education or other important goals.

This is not an academic question. I was motivated to investigate this issue when a CFP® working for a national firm, provided a family member with a financial plan for a fee of \$1,500 – in other words, a professional engagement. The plan recommended a \$1,000,000 life insurance policy and my sibling called me to find out why. Once I had the opportunity to examine the financial plan and determined that the fact gathering process did not include discussion of the specific needs on their death, it became evident that the “needs analysis” was based on an income replacement methodology. What would the average planning client without recourse to a “second opinion” do?

Objective:

The objective of this research is to try to determine to what extent the results of these two “pure” analytical approaches identify different “needs”, based on varied criteria like age bands or different client net worth amounts. Hopefully, this research will answer these questions:

- Is there a significant problem and what is its scope?
- Are there some boundaries or rules that can be used to determine at what level an income replacement methodology should be avoided?
- When it comes to the hybrid models, to what extent are firms including additional factors and which ones? How varied are the potential results?

Readers may observe that insurance can be used for many purposes in addition to lifestyle protection, which is indeed the case, but the scope of this analysis was to look at the use of insurance for its primary objective – protecting the lifestyle for the survivor. As well, some advisors may argue that determining needs is as much an art as a science, but a profession needs to rely on replicable results and the reliance on analytical methodologies is critical to achieve this.

Methodology:

The following approach was used to address the issues outlined above:

1. Review actual cases – Access anonymous data from client files that have had a more robust Expense Approach insurance needs analysis done:
 - a) Extract age, salary, personal assets, investment assets, liabilities, desired retirement age, after tax return, current death benefits, assumed % of expense to replace on death, number and present value of retirement goals and needs in the event of death, and finally, the gap determined by the expenses analysis.
 - b) Import the data to an Excel spreadsheet and apply a calculation for the Income Replacement gap calculation.
 - c) Perform statistical comparisons of the two results, by the variables of age, income and investment capital (or net worth).
 - d) Determine the impact of assumptions, such as income replacement period and inclusion of liability pay down in the calculation.
2. Parameter Testing - Define a series of reasonable thresholds or parameters that could be applied in the income replacement or expense-based analysis. Perform some analyses and comparisons based on these boundaries and the “rules” used by advisors.
3. Site Survey – Review some randomly selected Internet web sites to determine the assumptions and nature of calculators being provided to consumers to determine insurance needs.

1. Review Actual Cases

We sourced data from comprehensive needs analysis, including expense-based life insurance needs for 2,370 client situations performed by a variety of advisors, working in both corporate and independent planning channels. The expense-based calculation is a robust analysis:

- The stated financial goals of the family are reviewed specifically in the event of the death of either spouse. This usually entailed an assumed proportion of the current after-tax lifestyle of the family for the survivor, 100% of education funding requirements and other goals as revealed case-by-case.
- Any of the deceased's investments bequeathed to the surviving spouse were rolled over appropriately.
- Any insurance proceeds were paid to the survivor and rolled into the investment portfolio.
- A tax-sensitive analysis was performed for the survivor, including a year-by-year calculation of the income, taxes, expenses and any surpluses or deficits to be funded from capital.
- Tax impact of any estate residual on second death was included. This would only occur when an explicit estate requirement was expressed, or where a surplus of capital existed after meeting the income and life goals needs of the survivor.

A key calculation assumption is the percentage of income or expenses to replace. Of the 2,370 cases, the average percentage of income or expense to replace was 70.2%, with 84.9% of cases between 65% and 75%. Only 109 cases, or 4.6%, assumed a percentage to replace of 65% or less. In about 8.9% of cases, the replacement percentage was set between 75 and 85%. In about 1.6% of cases, the replacement percentage was set between 85% and 100%. In each case, the advisor would have set these replacement rates.

The simpler income replacement methodology was then used to calculate the gap, with the following assumptions:

- The actual income or salary of the deceased, indexed at the client's inflation assumption in the plan.
- The same income replacement percentage used in the expense-based calculation.
- An after-tax rate of return assumption, based on the client's return assumptions and average tax rate, as determined in the full plan.
- Replace the income to age 65.
- An Excel PV function was used to calculate the present value of the salary to replace. We then added in burial costs (from the expense model) and subtracted existing insurance coverage to calculate the gap.

Insurance Gap = PV (((1+ROI/100)/(1+Inflation/100))^{-1, 66-Age}, Salary*% to Replace, 1) +Burial Costs- Existing Coverage

Comparison of Results

The robust expense-based analysis is a more accurate reflection of the actual insurance needs of the client because it reflects the specific stated needs for the survivor on the death of their partner.

In total, we sourced 2,370 cases, filtered to include only clients with an income between \$10,000 and \$1,000,000 per annum. Only clients 64 years of age or younger with a surviving spouse were studied. Some of the demographics included:

- Average salary was \$82,984.
- Average current insurance coverage was \$181,768.
- Average of \$105,215 in outstanding debt.
- Average of \$281,343 in investment capital.
- An average gap of \$361,170 in the event of death using the expense-based methodology. This is the amount of incremental insurance required.

After we applied the income replacement methodology and did a comparison with the expense-based results we found:

- Income replacement overstated the requirement 73.5% of the time;
- In 5.8% of cases, the client was sufficiently insured, consistent with the expense-based calculation;
- Income replacement understated the needs 20.8% of the time.

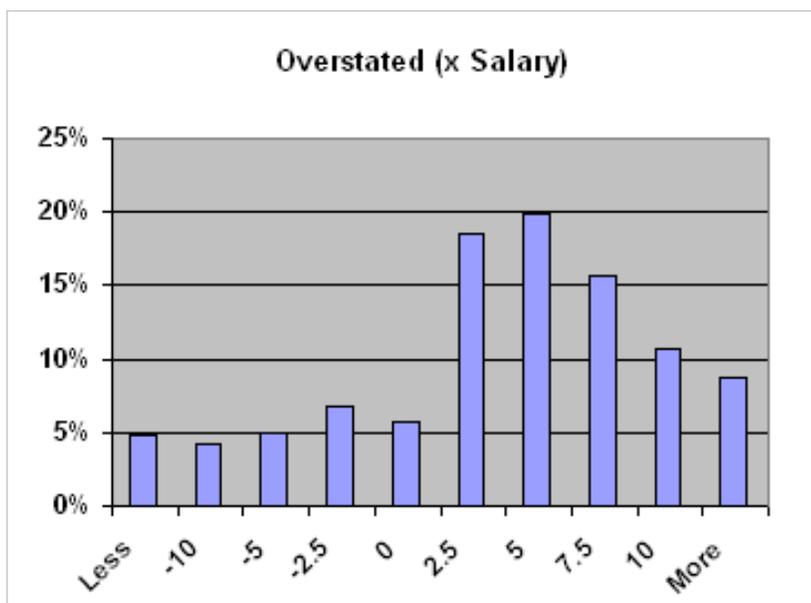


Figure 1: When we look at the degree of overstatement or understatement of the insurance needs, as measured by a factor of salary, we can see that 18.5% of the time the Income Replacement method overstated the needs by under 2.5 times salary: 19.9% of the time it was overstated by between 2.5 times and 5.0 times salary and so on.

On average, the income replacement method calculated a gap of \$604,975, compared to a gap of \$361,170 for the expense-based calculation. In both cases, these gaps represent additional insurance coverage required in addition to current in force policies.

Why Did Income Replacement Understate the Needs in Some Cases?

Although, based on its acknowledged deficiencies, it was expected that the Income Replacement methodology would overstate the needs, there were significant instances when it also understated the insurance needs. Why?

To determine the answer, we took a closer look at the goals expressed in the expense-based death analysis, as compared to the standard retirement analysis.

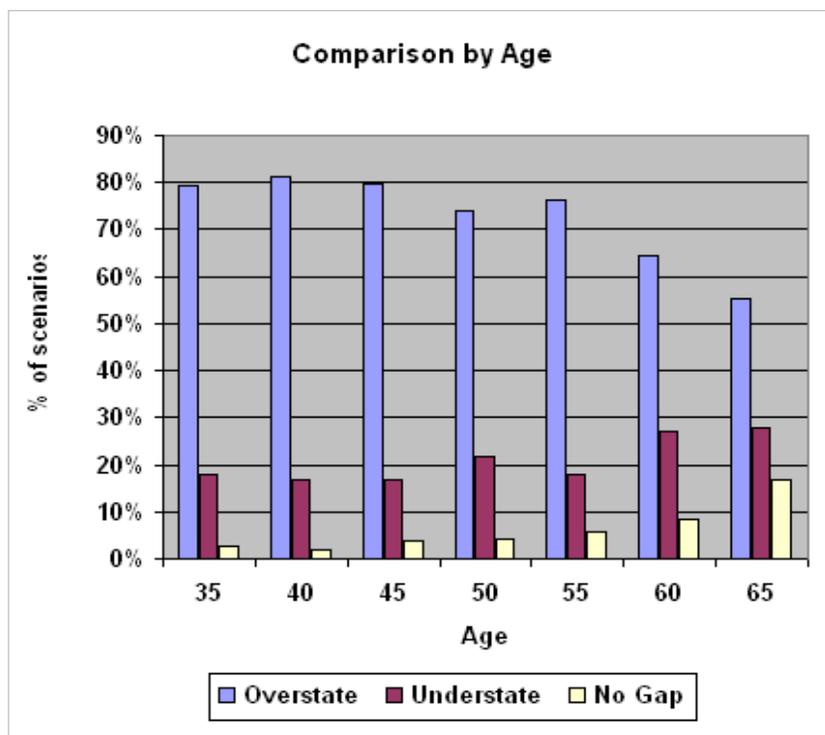
- The average percentage of income replaced was 70.2%
- Where the Income Replacement method understated the needs, we discovered that the average percentage of goals to replace was 86.0%. In other words when looking at individual requirements on death, many goals were either a higher percentage of the goal for retirement or may have been unique to the needs on death.
- Where the Income Replacement method understated needs, we discovered that the analysis averaged 28.5% more goals or funding requirements, compared to the retirement forecast. In other words, the advisor/client articulated additional needs specific to the event of death.
- When we looked at the instances where the Income Replacement method overstated the needs (the majority of cases), the expense-based analysis still averaged 79.6% as the replacement percentage, with 19.8% more goals.

In simple terms, the discovery process using the expense-based approach resulted in the identification of a greater number of goals and a higher percentage of the retirement goals to be replaced. These additional needs would not be determined in an Income Replacement model.

This illustrates an important finding that as financial planners, applying a more simplistic income replacement approach can lead to both a misunderstanding of the actual client requirements and to an understatement of requirements. There are no shortcuts to a proper discovery process.

By Age

Of the 2,370 cases, 22.8% were age 40 or younger, 31.7% age 41 to 50, 19.5% between ages 51 and 55, 17.5% between age 56 and 60 with the remaining 8.5% between ages 61 and 65. When we look at the number of scenarios where the requirement is overstated, there is an observable relation to the age of the client – *the younger the client, the greater the likelihood of overstating the requirement.*



As we can see in the Figure 2:

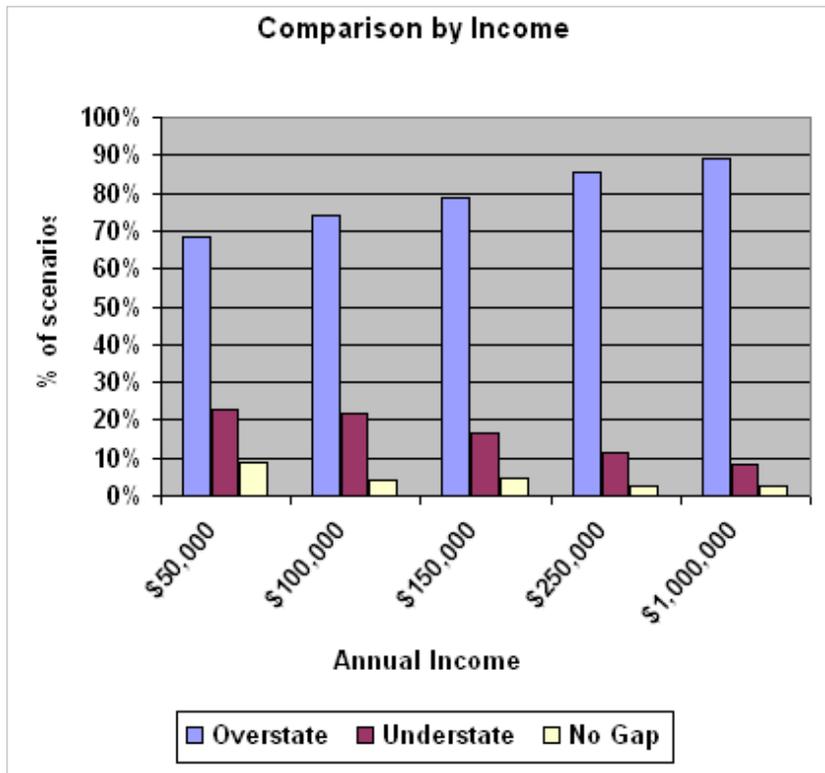
- Income Replacement overstated the requirement between 79.2% and 81.3% of the time, for age 45 and under;
- Overstated the requirement between 74.0% and 76.4% of the time, between age 45 and 55
- Overstated the requirement 64.3% of the time, between age 55 and 60
- Overstated the requirement 55.4% of the time, between age 61 and 65.

This does not come as a surprise since, intuitively; an analysis that is more basic will show greater variance the longer the time frame.

When we look at the magnitude of the overstatement, it averaged very close to \$514,816 for clients age 55 and under. In the two higher age bands the average overstatement decreased to \$242,448 then \$37.893 respectively.

By Income

The income levels of the clients were restricted to income of greater than \$10,000 and less than \$1,000,000 per annum. The demographics of the cases were:



- 35.8% income between \$10,000 and \$50,000.
- 39.6% between \$50,000 and \$100,000.
- 10.8% between \$100,000 and \$150,000.
- 4.6% between \$150,000 and \$250,000.
- 3.6% or 83 cases between \$250,000 and \$1,000,000.

With respect to income, we can see in Figure 3, the pattern is that the greater the income, the greater the probability that insurance needs will be overstated.

- Cases with income of \$50,000 and under were overstated 68.3% of the time, by an average of \$173,975.

- Cases with income between \$50,000 and \$100,000 were overstated 74.2% of the time, by an average of \$343,161.
- For clients with income between \$100,000 and \$150,000, the requirement was overstated 78.7% of the time, with \$541,371 excess insurance recommended.
- For clients with income between \$150,000 and \$250,000, the requirement was overstated 85.7% of the time, with \$888,295 excess insurance recommended.
- For clients with income more than \$250,000, 74 of 83 or 89% of cases resulted in an overstatement of the needs, and the average overstatement was in excess of \$2,651,360.

By Investment Capital

Interestingly, there was less correlation between the amount of investment capital and the likelihood of the Income Replacement methodology overstating or understating the requirement than might have been intuitively expected. The investment capital amounts ranged from under \$50,000 for 25.1% of clients, up to 297 clients or 11.7% of clients with investment capital ranging between \$500,000 and \$15,000,000.

TABLE 1	To 50,000	To 100,000	To 200,000	To 500,000	To 15,000,000
% Overstated	68.6%	72.8%	71.2%	75.9%	83.8%
No Gap	4.2%	6.0%	6.7%	6.1%	6.7%
% Understated	27.2%	21.2%	22.1%	18.0%	9.4%
\$ Overstated	\$293,728	\$349,040	\$335,036	\$537,876	\$750,108

Not surprisingly, there was an increase in the average amount of overstatement, based on investment capital. As we can see in Table 1, this ranged from \$293,728 for lower end cases, up to \$750,108 for higher net worth clients, although there is a slight increase in the percentage of cases overstated.

By % of Income to Replace

We also analyzed the likelihood of the overstatement increasing, based on the percentage of income to be replaced. Again there was no correlation between the percentage income to be replaced and the likelihood of overstating the requirement. Since the same % replacement assumption was used in both the income replacement and the expense-based needs analysis, this is not surprising.

Other Factors to Consider

Although there already appears to be evidence that the Income Replacement methodology results in unnecessary overstatement of the insurance needs for the client, the reality in the industry is that few advisors and firms implementing an Income Replacement methodology stop at a simple replacement of the lost salary. In many cases, the methodology applied tends to blend an expense-based model and income replacement with the advisor assuming:

- Retirement of all debt.
- Funding of children’s education goals.
- Possible other expenses.

The data did not allow us to easily extract the specific education needs from the expense-based analysis, so we did not calculate the impact this would have had when included in the Income Replacement models.

Including Debt Repayment

When we looked at adding debt to a straight income replacement, there was an average of \$105,215 in personal and investment debt per client, for a total of \$226 million over the 2,370 clients. This represented a 17.4% increase in the gaps calculated using the income replacement methodology.

By including debt, the overstatement of insurance needs went from 73.5% to 78.4% — about a 5% increase.

How Many Years to Replace?

An important assumption in our income replacement analysis was the number of years of income to replace. In most cases, advisors employing this methodology use a simple assumption like age 65 (mandatory retirement age in many places). In the more robust expense-based calculation, we looked at the expected retirement age and estimated the family lifestyle required by the survivor, both pre- and post-retirement.

When we calculate the income replacement needs based on the stated retirement age, instead of age 65, the percentage of overstated needs drops from 73.6% to 47.8% — a significant improvement. When we look at the impact of this adjustment, based on age ranges we find:

- 64.2% of people under age 45 had overstated needs
- 45.0% of people between age 45 and 55 had overstated needs
- For people 55 and older, more cases were understated than overstated.

Interestingly, the biggest impact was the fact that the number of cases where no gap was identified for both expense-based and Income Replacement, increased by 11.2%. In other words, when the proposed retirement age was used to determine the period of income to replace, many fewer cases had a gap.

2. Simple Analytical Comparison

As a different view of the problem, we looked at a simple case:

- \$75,000 income today
- 20% average tax rate
- \$60,000 after tax income, less \$7,500 savings, leaving \$52,500 for family expenses
- Inflation at 3% and after-tax return of 6%
- Retirement expenditures of \$36,750
- 70% replacement of income or family expenses, pre- and post-retirement
- \$60,000 initial capital
- \$7,500 per annum savings (10%). This is sufficient to fund a retirement lifestyle of about 70% of their pre-retirement income, once taxes and savings are removed from the equation, until about age 85.

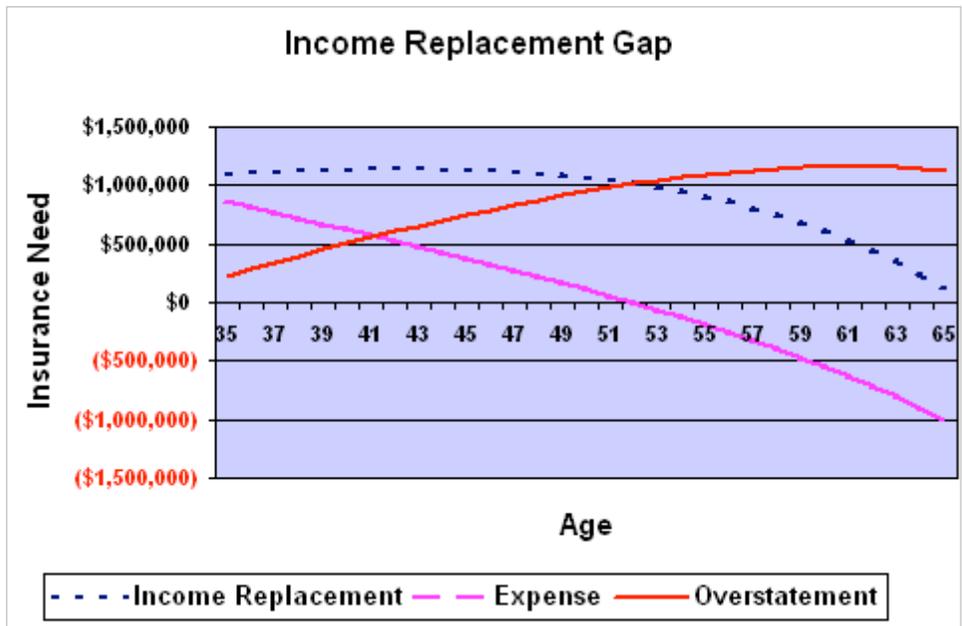
For the expense-based analysis, the survivor's lifestyle requirement was estimated as 70% of the total after-tax income, less the savings, or \$36,750 in the first year. In other words:

$$\text{Family Expenses} = \$75,000, \text{ less } 20\% \text{ average tax, less } \$7,500$$

$$\text{Survivor Needs} = \text{Family Expense} \times 70\% \text{ for survivor}$$

It was assumed the spouse required sufficient funds to also support a retirement lifestyle that would be about 70% of their combined expected retirement lifestyle.

Each year, salary, savings, expense requirements are all indexed. At each age between 35 and 65, the present value of income to be replaced or the expense-based needs are calculated. As time progresses (and the client has not died), more capital is accumulated in the expense-based model.



As we can see from figure 4, because of the increasing salary, the income replacement methodology remains relatively consistent between ages 35 and 55, at just over \$1,000,000, after which it declines until age 65.

On the other hand, using the expense-based model, there is a steady decline in the gap calculated. For each year death is delayed, even though the requirement is indexed, the accumulating capital offsets this and more.

By age 52, there is no gap at all, even though the income replacement is still showing a gap of \$1,000,000. This occurs because, by this age, in accumulating for retirement, the client has amassed sufficient funds that, in the event of his/her death, there would still be enough to fund the 70% required by the survivor until age 85.

As we can see, the overstatement of insurance needs when using the income replacement approach in comparison with the expense-based methodology exceeds \$1,000,000 from about age 53 onwards. In fact, the expense-based calculation has a gap of \$0, so the overstatement is simply any needs calculated by the income replacement methodology. On average, assuming an even distribution by age, the average overstatement using the income replacement methodology, compared to the expense-based analysis above, was \$650,000.

An important consideration in this case is that because we used 70% of income in the Income Replacement calculation, this represents 100% of the current after-tax income for the family, since taxes plus savings equaled 30%. This would mean that this amount, \$1,093,244 at age 35, should represent the absolute maximum insurance at that time, as any mortgages, debt repayment and other needs would have been funded from this after-tax amount.

3. Survey of Web Based Calculators

Table 2 is not intended to be a comprehensive or scientific survey of the methodologies available to consumers on the Internet. The approach was to take the first dozen insurance needs calculators returned by a simple Google search of “life insurance needs calculator”.

For each calculator, we recorded the assumptions used (where possible) and ran a comparative analysis. We then recorded the results. As discussed, although “not scientific”, these results might reflect the consumer experience if they undertake to find and use calculators on the Web.

Sites ⁱⁱⁱ	1	2	3	4	5	6	7	8	9	10	11	12
Return	No	No	0%	6%	6%	No	6%	6%	6%	6%	6%	?
Inflation	No	No	No	No	3%	No	3.6%	3%	3%	3%	3%	3%
Burial	\$15K	\$15K	\$15K	\$15K	\$15K	\$15K	\$15K	\$15K	\$15K	No	\$15K	\$15K
Mortgage	\$100K	\$100K	\$100K	\$100K	\$100K	\$100K	\$100K	\$100K	\$100K	No	No	\$100K
Other Debt	\$20K	\$20K	\$20K	\$20K	\$20K	\$20K	\$20K	\$20K	\$20K	No	No	\$20K
Emergency	\$18,750	\$18,750	\$18,750	3 Mths	No	\$18,750	No	No	No	No	No	\$18,750
Education	\$60K	\$60K	\$60K	\$60K	Private	\$60K	\$60K	\$60K	\$60K	No	\$40K	\$143K
Replace \$	\$52,500	\$52,500	\$36,750	\$36,750	\$36,750	\$36,750	\$33,750	\$36,750	\$36,750	\$52,500	\$36,750	\$52,500
Duration	30 Yrs	30 Yrs	60 Yrs	No	30 Yrs	30 Yrs+	30 Yrs					
Investment	\$60K	\$60K	\$60K	\$60K	\$60K	\$60K	No	\$60K	\$60K	No	\$60K	\$60K
Probate	No	No	\$3K	No	No	No	No	No	\$3K	No	No	No
Social Sec.	No	\$0	\$0	\$0	\$0	\$0	No	No	No	No	\$0	\$0
Sp. Income	No	\$0	\$0	\$0	\$0	\$0	No	No	No	No	\$0	\$0
Insurance	\$0	\$0	\$0	\$0	\$0	\$0	No	\$0	\$0	No	\$0	\$0
Results	1,692,155	1,413,750	2,201,250	756,688	867,775	991,539	784,000	873,195	883,318	1,071,057	1,154,798	1,201,827

In some cases, the values of certain assumptions, such as inflation or the rate of return, were fixed in the calculator and could not be adjusted. In some cases, the calculator called for the entry of income and other expenses. We tried to be consistent across calculators and to enter the value as asked or suggested wherever possible. Some calculators estimated needs for the survivor until their ultimate mortality, while the majority did so only for the specified time frame. It should be noted that over half the calculators asked for the entry of the spouse's income, which could create gaps, as there is then no mechanism to handle eventual retirement.

The basic case entered was a male, age 35 married with a non-working spouse and a new child, 1 year old. The current salary was \$75,000, with 20% average tax rate and \$7,500 of savings, providing annual family expenses of \$52,500 after-tax. As in the example in Section 2, they were assumed to have \$60,000 in existing investments, 3% inflation and a 6% after-tax rate of return, with no current insurance coverage.

When we compare these calculators, we find average insurance needs of \$1,165,946, with a standard deviation of \$430,225. It is important to note that the average gap from the calculators exceeds the present value of 100% of the family expenses (i.e. \$1,093,244). This indicates over half of the calculators returned a result in excess of the client's projected lifestyle. The spouse is better off with the client dead than alive.

Recommendations

It is widely recognized with little or no controversy that the income replacement methodology is an inferior approach to calculating client life insurance needs. Our basic analysis has quantified that this is not insignificant, but a major overstatement of needs.

Basic recommendations include:

- Income replacement methodologies should not be used by financial planners. A financial planner should not apply a knowingly deficient methodology that results in almost twice the required needs – the implementation of which would generate a significantly larger commission for the advisor. This is an obvious conflict of interest. Advisors with a CFP designation, especially those charging a fee to the client, should invest the time to do a proper expense-based analysis. The argument is often made that the method of compensation for a planner should be irrelevant in determining the standard of care. For commission-based advisors, it would appear even more important to maintain the higher standard of analysis.
- If advisors use an income replacement methodology, it should include disclaimers that this type of analysis is basic in nature and is known to often overstate client insurance needs, compared to other types of analysis. As well, it can also lead to variances, as a result of the limited discovery to determine actual client needs.
- Where Hybrid Methodologies are used, combining income replacement and additional needs, error of double counting needs is significant. Extreme care needs to be taken to avoid recommending insurance that will exceed forecasted family after-tax income in the event of a healthy life. Some form of cap would be advisable.
- Many of the Hybrid models assumed reduction of the needs by subtracting future survivor income as well as use of all investment and retirement assets. This type of approach can understate needs, resulting in insufficient funds to handle eventual retirement of the survivor.

i Personal Financial Planning, 4th Edition, Kwok Ho & Chris Robinson, Captus Press, Published 2005 page 203

ii The Calculus of Retirement Income: Financial Models for Pensions, Moshe Arye Milevsky, Cambridge Press, Published 2006 page 141

iii The following sites were used to calculate the insurance needs:

1. RBC Insurance: <https://www1.rbcinsurance.com/>
2. MSN Money: http://moneycentral.msn.com/investor/calcs/n_life/main.asp
3. BYG Publishing: <http://www.bygpub.com/finance/LifeInsCalc.htm>
4. Fidelity Investments: <http://personal.fidelity.com/products/insurance/content/needsCalc.html.cvsr>
5. LIFE Web Site: http://www.lifefdn.org/build/insurance_needs_calculator/index.php?pt=lfinc&m=1
6. Smart Money: <http://www.smartmoney.com/insurance/life/index.cfm?story=intro>
7. FinAid: <http://www.finaid.org/calculators/lifeinsuranceneeds.phtml>
8. Kinetix: http://www.kanetix.ca/life_cov_calc
9. Reliaquote: http://www.reliaquote.com/term-life/cgi-bin/needs_analysis.asp
10. Acququote: <http://www.acququote.com/term-life-insurance-calculator.cfm>
11. CCH Toolkit: <http://www.finance.cch.com/sohoApplets/LifeInsurance.asp>
12. US Dept. of Veteran Affairs: <http://www.insurance.va.gov/sgliSite/calculator/needsCalc.htm>