ULLOA FINANCIAL

-Elevate your legacy-

LIFE INSURANCE NEEDS CHECKLIST

A practical guide to identifying the people, responsibilities, and financial goals that life insurance may help protect.

How to use this checklist

Complete the sections that apply to your household or business. The goal is not to select a policy on your own. It is to organize the information and questions needed for a thoughtful protection-planning conversation.

. HOUSEHOLD INFORMATION

Name(s):	
Date completed:	
Next review date:	
Prepared for:	

KNOWLEDGE IS THE FIRST STEP. A PLAN IS THE NEXT.

1. WHO AND WHAT NEEDS PROTECTION

Begin by identifying the people, obligations, and goals that could be affected if an income earner, caregiver, or business owner died unexpectedly.

- ☐ List each person who depends on your income, services, or financial support.
- ☐ Identify a spouse or partner who would need ongoing income.
- ☐ Identify children, parents, relatives, or others who rely on you financially.
- ☐ Consider the financial value of unpaid caregiving, household management, and childcare.
- ☐ List debts or obligations that another person might inherit or need to continue paying.
- ☐ Identify education, retirement, charitable, or legacy goals you want to preserve.
- ☐ Consider whether a business, partner, employee, or lender depends on your continued involvement.
- ☐ Decide which needs are temporary and which may continue for many years.

Planning question

Whose financial stability would be disrupted, and for how long, if you were no longer able to contribute income, care, or leadership?

2. HOUSEHOLD AND FAMILY SNAPSHOT

Record the people whose needs should be considered when estimating coverage.

Person	Relationship	Age	Financially dependent?

3. INCOME REPLACEMENT

Estimate how much household income may need to be replaced and for how many years.

- ☐ Current gross annual income
- ☐ Current net or take-home income
- ☐ Number of years income may need to continue
- ☐ Expected raises, bonuses, commissions, or variable compensation
- ☐ Employer benefits that may stop at death
- ☐ Income a surviving spouse or partner may continue earning
- ☐ Expected Social Security survivor benefits or pension survivor benefits
- ☐ Income taxes and changes in household expenses after death
- ☐ Inflation and the declining purchasing power of a fixed amount over time

Annual income to consider:	
$ Amount needed each month:	
Estimated years of support:	
Estimated income replacement need:	

Important distinction

A multiple of income can be a useful starting point, but it does not replace a needs-based analysis that considers debts, dependents, existing assets, survivor income, and the duration of each goal.

4. HOUSEHOLD SERVICES AND CAREGIVING

Life insurance needs can exist even when a person does not earn a traditional salary.

- ☐ Childcare or after-school care
- ☐ Household management and transportation
- ☐ Care for an aging parent or family member
- ☐ Education support or tutoring
- ☐ Home maintenance, meal preparation, and other recurring services
- ☐ Time away from work that a survivor may need during a transition

5. DEBTS AND IMMEDIATE EXPENSES

List obligations that could create pressure for surviving family members or business partners.

- ☐ Mortgage payoff or housing transition
- ☐ Home equity loan or line of credit
- ☐ Credit card balances
- ☐ Auto loans
- ☐ Student loans with a cosigner or family obligation
- ☐ Personal loans
- ☐ Business loans or guarantees
- ☐ Medical bills and final expenses
- ☐ Funeral, burial, or memorial expenses
- ☐ Legal, accounting, and estate-administration costs
- ☐ Emergency cash reserve for the first six to twelve months

Total mortgage and home debt:	
Total consumer debt:	
Estimated final and transition expenses:	
Emergency reserve target:	
Total immediate obligations:	

6. EDUCATION AND DEPENDENT CARE

Estimate future expenses for children or other dependents.

- ☐ Childcare through the expected age of independence
- ☐ Private school or specialized educational support
- ☐ College, trade school, or professional education goals
- ☐ Support for a dependent with special needs
- ☐ Ongoing care for an adult child, parent, or relative
- ☐ Professional guidance for a special-needs trust or benefit coordination, when applicable

7. EXISTING RESOURCES AND COVERAGE

Document resources that may reduce the amount of additional coverage needed. Confirm ownership, beneficiaries, portability, and whether the amounts are current.

- ☐ Employer-provided group life insurance
- ☐ Individually owned term life insurance
- ☐ Permanent life insurance and current death benefit
- ☐ Spouse or partner coverage
- ☐ Social Security survivor benefits
- ☐ Pension survivor benefits
- ☐ Cash, savings, and emergency reserves
- ☐ Investment and retirement accounts intended for survivors
- ☐ Annuity death benefits
- ☐ Business-owned coverage or buy-sell funding
- ☐ Other assets specifically available for household support
- ☐ Benefits that may be taxable, restricted, delayed, or unavailable for immediate expenses

Employer coverage:	
Individual coverage:	
Other survivor resources:	
Total existing resources:	

Review employer coverage carefully

Group coverage may be valuable, but it may be limited, taxable in some circumstances, or unavailable after a job change or retirement. Verify the certificate and portability or conversion provisions.

8. POTENTIAL COVERAGE GAP

Use this as an organizing estimate, not as a final recommendation.

Income replacement need:	
Debts and immediate expenses:	
Education and dependent-care goals:	
Legacy or business needs:	
Less existing resources:	
Preliminary amount to evaluate:	

Use the estimate carefully

This preliminary total is a conversation tool. It should be reviewed alongside affordability, the timing of each need, survivor income, taxes, liquidity, inflation, existing assets, and the role of other financial strategies.

. NOTES AND ASSUMPTIONS

9. COVERAGE DURATION AND POLICY PURPOSE

Match the expected duration of the need with the type and length of coverage being evaluated.

- ☐ Years remaining on the mortgage
- ☐ Years until the youngest child is financially independent
- ☐ Years until retirement assets are expected to support the household
- ☐ Duration of a business loan, buy-sell obligation, or key-person risk
- ☐ Whether the need is temporary, permanent, or a combination of both
- ☐ Whether premiums must remain level for a specific period
- ☐ Whether future convertibility is important
- ☐ Whether permanent death-benefit or cash-value features serve a defined planning purpose
- ☐ Whether the proposed premium remains affordable under conservative assumptions

10. QUESTIONS WHEN COMPARING COVERAGE

Use these questions when evaluating term or permanent insurance proposals.

- ☐ What specific financial need is this policy intended to address?
- ☐ How long is the need expected to last?
- ☐ Is the death benefit level, increasing, or decreasing?
- ☐ Are premiums guaranteed, and if so, for how long?
- ☐ What happens at the end of the initial term or guarantee period?
- ☐ Can the policy be converted, renewed, reduced, or otherwise adjusted?
- ☐ What assumptions are used in any illustration?
- ☐ Which values or benefits are guaranteed and which are not?
- ☐ What fees, surrender charges, loan provisions, or withdrawal effects apply?
- ☐ How could missed premiums, loans, withdrawals, or changing assumptions affect the policy?
- ☐ What carrier financial-strength information and contractual guarantees should be reviewed?

11. BENEFICIARIES, OWNERSHIP, AND ESTATE COORDINATION

A well-designed policy can still create problems if ownership and beneficiary designations are incomplete or inconsistent with the broader estate plan.

- ☐ Confirm the current policy owner.
- ☐ Name primary and contingent beneficiaries.
- ☐ Use complete legal names and accurate identifying information.
- ☐ Avoid naming a minor directly without appropriate legal planning.
- ☐ Coordinate beneficiary designations with wills, trusts, and divorce or support agreements.
- ☐ Consider whether a trust should be evaluated for a beneficiary with special needs or complex circumstances.
- ☐ Review whether policy proceeds could affect estate-tax, creditor, public-benefit, or probate considerations.
- ☐ Confirm who will receive policy notices and maintain premium payments.
- ☐ Tell a trusted person where policy documents and carrier contact information are stored.
- ☐ Review designations after marriage, divorce, birth, adoption, death, or other major life changes.

12. BUSINESS AND LEGACY CONSIDERATIONS

Complete this section when the insured is a business owner, key employee, or someone with a specific legacy objective.

- ☐ Buy-sell agreement funding
- ☐ Key-person protection
- ☐ Business loan or personal-guarantee protection
- ☐ Capital for recruiting or replacing a key person
- ☐ Equalization among heirs when business interests pass to selected family members
- ☐ Estate liquidity or inheritance goals
- ☐ Charitable gifts or faith-based legacy objectives
- ☐ Coordination with legal, tax, and business advisers

13. APPLICATION AND UNDERWRITING PREPARATION

Accurate information supports a smoother application and helps prevent delays or coverage problems.

- ☐ Government-issued identification and Social Security number
- ☐ Employment, income, and net-worth information when requested
- ☐ Physician names and contact information
- ☐ Medications, diagnoses, treatments, surgeries, and hospitalizations
- ☐ Family medical history
- ☐ Tobacco, nicotine, alcohol, and substance-use history
- ☐ Driving history and hazardous activities
- ☐ Travel or residency information when relevant
- ☐ Existing and pending insurance applications
- ☐ Business financial information for business-related coverage
- ☐ Authorization for medical, prescription, motor-vehicle, and other underwriting records
- ☐ A clear explanation for any answer that may require additional context

Accuracy matters

Answer application questions completely and truthfully. Material omissions or misstatements can affect underwriting, premiums, claims, or the enforceability of coverage.

14. REVIEW TRIGGERS

Revisit coverage when life or financial circumstances change.

- ☐ Marriage, divorce, or death of a spouse or beneficiary
- ☐ Birth or adoption of a child
- ☐ Purchase, sale, or refinancing of a home
- ☐ Major income change or career transition
- ☐ New debt or debt payoff
- ☐ Business formation, sale, succession, or new partner
- ☐ Retirement or loss of employer benefits
- ☐ Significant change in health
- ☐ Estate-plan or beneficiary update
- ☐ Policy anniversary or material change in premiums or performance

15. QUESTIONS FOR A FINANCIAL OR INSURANCE PROFESSIONAL

Bring these questions to your protection-planning conversation.

- ☐ How was the recommended death benefit calculated?
- ☐ Which needs are being covered, and which are not?
- ☐ Why is the proposed policy type appropriate for the expected duration of the need?
- ☐ What alternatives were considered?
- ☐ What costs, commissions, fees, or surrender charges apply?
- ☐ Which policy elements are guaranteed?
- ☐ What could cause the policy to underperform, lapse, or require additional premiums?
- ☐ How should this policy coordinate with my retirement, tax, estate, and business plans?
- ☐ How often will the policy and beneficiary designations be reviewed?
- ☐ What documentation will I receive after implementation?

16. NEXT STEPS

Action item	Priority	Responsible person	Target date

Final reflection

What is the most important financial responsibility you want this coverage to protect, and what information do you still need before making a decision?

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IMPORTANT INFORMATION

EDUCATIONAL DISCLOSURE

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Before making a decision

Review the proposed coverage, policy contract, carrier information, costs, guarantees, assumptions, beneficiaries, and alternatives. Keep the final policy and annual statements with your important financial records.

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