



Disability Needs Analysis

Prepared for:

Young, Todd and Sylvia

Prepared by:

**Chris Russell, Software Guy
DevSource Ltd.**

5522 North Weber
Colorado Springs, CO 80919

872-216-IMAX
Thursday, May 24, 2012

Disability Needs

Objective: Needs if Todd were to become disabled

Disability needs analysis is intended to identify the impact that a disability would have on an individual or family and determine the amount of coverage that would be needed to adequately protect them. If Todd were to become disabled, would your family be in a position to maintain its current lifestyle? Often overlooked is the impact that a disability has on a family's other wage earner. In many cases the non-disabled wage earner's income is affected as they now must care for the disabled as well as assume greater childcare responsibilities. This secondary impact on income can be significant, will change over time, and should be factored into a disability analysis.

Planning Assumptions

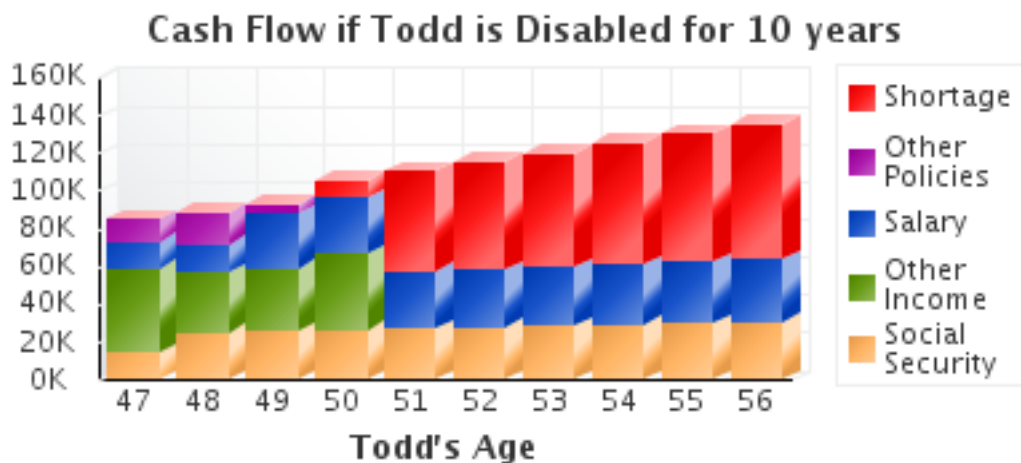
Disability needs were computed based on the following information you provided

Todd's Age	47
Annual Net Wages	\$90,000
Other Annual Income	\$0
Savings to Apply to Disability Need*	\$160,000
Annual Need Post Tax	\$84,960
Disability Duration	10 years
Annual Soc Sec Disability Benefit	\$2,000
Total Income from Existing Policies	\$34,871
Sylvia's Current Annual Net Wages	\$28,000
% of Sylvia's Current Wages after Disability	
- During 2 Year Readjustment Period	50.00%
- With Children at Home	100.00%
- Before Sylvia Retires	100.00%

* Assume savings applied to meet disability need earn 5% rate of return.

Current Disability Needs Results

The following graph shows your financial profile over time and illustrates shortages/surpluses.



The following table summarizes your disability need if Todd were to become disabled.

Total Lost Earnings	\$1,060,029
Total Shortage	\$382,570

Additional Annual Coverage Required	\$29,254
-------------------------------------	----------

Disability Needs Annual Summary

The following table provides a year by year breakdown of your finances in the event Todd becomes disabled.

Todd's Age	Annual Need	Salaries	Other Income	Social Security	Existing Policies	Tax Due	Shortage	Interest / Dividends	Year End Balance
47	\$84,960	\$14,000	\$44,361	\$13,999	\$12,600	\$5,539	\$0	\$5,782	\$115,882
48	\$88,528	\$14,280	\$32,008	\$24,600	\$17,640	\$5,173	\$0	\$4,194	\$82,895
49	\$92,247	\$29,131	\$33,270	\$25,215	\$4,631	\$10,584	\$0	\$2,481	\$41,523
50	\$96,121	\$29,714	\$40,562	\$25,845	\$0	\$9,829	\$8,820	\$48	\$0
51	\$100,158	\$30,308	\$0	\$26,492	\$0	\$10,104	\$53,462	\$0	\$0
52	\$104,365	\$30,914	\$0	\$27,154	\$0	\$10,453	\$56,749	\$0	\$0
53	\$108,748	\$31,533	\$0	\$27,833	\$0	\$10,854	\$60,237	\$0	\$0
54	\$113,315	\$32,163	\$0	\$28,528	\$0	\$11,263	\$63,887	\$0	\$0
55	\$118,075	\$32,806	\$0	\$29,242	\$0	\$11,682	\$67,708	\$0	\$0
56	\$123,034	\$33,463	\$0	\$29,973	\$0	\$12,108	\$71,707	\$0	\$0

Disability Needs

Objective: Needs if Sylvia were to become disabled

Disability needs analysis is intended to identify the impact that a disability would have on an individual or family and determine the amount of coverage that would be needed to adequately protect them. If Sylvia were to become disabled, would your family be in a position to maintain its current lifestyle? Often overlooked is the impact that a disability has on a family's other wage earner. In many cases the non-disabled wage earner's income is affected as they now must care for the disabled as well as assume greater childcare responsibilities. This secondary impact on income can be significant, will change over time, and should be factored into a disability analysis.

Planning Assumptions

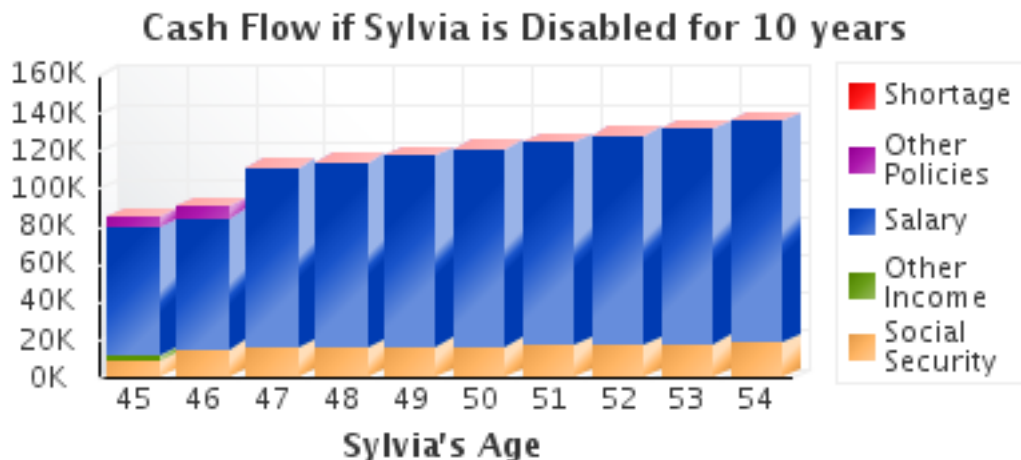
Disability needs were computed based on the following information you provided

Sylvia's Age	45
Annual Net Wages	\$28,000
Other Annual Income	\$0
Savings to Apply to Disability Need*	\$160,000
Annual Need Post Tax	\$84,960
Disability Duration	10 years
Annual Soc Sec Disability Benefit	\$1,200
Total Income from Existing Policies	\$12,240
Todd's Current Annual Net Wages	\$90,000
% of Todd's Current Wages after Disability	
- During 2 Year Readjustment Period	75.00%
- With Children at Home	100.00%
- Before Todd Retires	100.00%

* Assume savings applied to meet disability need earn 5% rate of return.

Current Disability Needs Results

The following graph shows your financial profile over time and illustrates shortages/surpluses.



The following table summarizes your disability need if Sylvia were to become disabled.

Total Lost Earnings	\$352,267
Total Shortage	\$0

Additional Annual Coverage Required	\$0
-------------------------------------	-----

Disability Needs Annual Summary

The following table provides a year by year breakdown of your finances in the event Sylvia becomes disabled.

Sylvia's Age	Annual Need	Salaries	Other Income	Social Security	Existing Policies	Tax Due	Shortage	Interest / Dividends	Year End Balance
45	\$84,960	\$67,500	\$3,060	\$8,400	\$6,000	\$23,096	\$0	\$7,847	\$141,690
46	\$88,528	\$69,525	\$0	\$14,760	\$6,240	\$24,991	\$0	\$7,184	\$125,880
47	\$92,247	\$95,481	\$0	\$15,129	\$0	\$32,355	\$0	\$7,212	\$119,101
48	\$96,121	\$98,345	\$0	\$15,507	\$0	\$33,143	\$0	\$6,842	\$110,531
49	\$100,158	\$101,296	\$0	\$15,895	\$0	\$33,932	\$0	\$6,378	\$100,010
50	\$104,365	\$104,335	\$0	\$16,292	\$0	\$34,719	\$0	\$5,814	\$87,367
51	\$108,748	\$107,465	\$0	\$16,700	\$0	\$35,504	\$0	\$5,139	\$72,419
52	\$113,315	\$110,689	\$0	\$17,117	\$0	\$36,283	\$0	\$4,345	\$54,972
53	\$118,075	\$114,009	\$0	\$17,545	\$0	\$37,057	\$0	\$3,423	\$34,817
54	\$123,034	\$117,430	\$0	\$17,984	\$0	\$37,821	\$0	\$2,360	\$11,735