

Client: \_\_\_\_\_

Company: \_\_\_\_\_

Date: \_\_\_\_\_

## Long Form Confidential Questionnaire

The following information is requested in order to provide you with an accurate analysis representative of your present circumstances. New York Life Insurance Company, its agents and its employees do not give legal, accounting or tax advice. Everyone should seek the advice of his or her own professional advisors before taking any action in regard to this material.



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Nautilus Member: \_\_\_\_\_

## Personal Information

Information	Client	Spouse
Name		
Date of birth		
Home address		
Business name & address		
Phone number(s)		
Employer <i>(If different from business, above)</i>		
Employment duties		
State of domicile		
Citizenship		
Health problems?		

## Family Information

Child's Name	Date of Birth	Occupation	Child's Spouse's Name	Child's Spouse's Date of Birth	Occupation	No. of children	Ages of Children

Current marital status?  Single  Married  Divorced  Widowed

Are there prior marriages: Client?  Yes  No Spouse?  Yes  No

- **(If yes:)** Indicate financial obligations, if any, to former spouse (or provide divorce decree).

**If widowed,** include copies of deceased spouse's wills, trusts, etc. (Or describe assets and whether they passed to surviving spouse in bypass trust, outright, etc.)

Are there children of a previous marriage?  Yes  No

- **(If yes:)** Provide their names and indicate whether client or spouse is the parent.
- Indicate financial obligations to those children, if any.

Are there adopted children or grandchildren? (If so, provide names, ages, parents.)

Are client's parents living? **(If yes:)** Provide ages: Are Father \_\_\_\_\_ Mother \_\_\_\_\_

spouse's parents living? **(If yes:)** Provide ages: Father \_\_\_\_\_ Mother \_\_\_\_\_

**(If living:)** Are they in good health? If not, describe:

Do you provide support for parents or any other individuals?  Yes  No

**(If yes:)** Should support continue beyond your lifetime?  Yes  No

Do any family members have special needs or concerns (financial, marital, health, etc.)?  Yes  No

**(If yes:)** Provide details and indicate current sources of support, if any.

What is your tax bracket (federal plus state)?

# Current Documents

Client			Spouse		
<input type="checkbox"/> <b>Client has no will</b>			<input type="checkbox"/> <b>Spouse has no will</b>		
<b>Check if document exists:</b>	✓	<b>Date Executed</b>	<b>Check if document exists:</b>	✓	<b>Date Executed</b>
<b>Last Will and Testament</b>			<b>Last Will and Testament</b>		
Provide copy. If unavailable, indicate provisions: <input type="checkbox"/> Simple will (all to spouse). <input type="checkbox"/> Will w/ credit shelter bypass trust & marital deduction provisions. [Portion qualifying for marital deduction passes to:] <ul style="list-style-type: none"> <li><input type="checkbox"/> Marital trust</li> <li><input type="checkbox"/> QTIP trust</li> <li><input type="checkbox"/> Surviving spouse, outright</li> </ul> <input type="checkbox"/> Will pours over into a revocable trust. (If checked, complete 'revocable trust' box, next page.) <input type="checkbox"/> Other (specify):			Provide copy. If unavailable, indicate provisions: <input type="checkbox"/> Simple will (all to spouse). <input type="checkbox"/> Will w/ credit shelter bypass trust & marital deduction provisions. [Portion qualifying for marital deduction passes to:] <ul style="list-style-type: none"> <li><input type="checkbox"/> Marital trust</li> <li><input type="checkbox"/> QTIP trust</li> <li><input type="checkbox"/> Surviving spouse, outright</li> </ul> <input type="checkbox"/> Will pours over into a revocable trust. (If checked, complete 'revocable trust' box, next page.) <input type="checkbox"/> Other (specify):		
List specific bequests (specific items of property passing under the will):			List specific bequests (specific items of property passing under the will):		

Client			Spouse		
<b>Check if document exists:</b>	✓	<b>Date Executed</b>	<b>Check if document exists:</b>	✓	<b>Date Executed</b>
<b>Revocable Trust</b>			<b>Revocable Trust</b>		
Provide copy. If unavailable describe provisions:			Provide copy. If unavailable describe provisions:		
<b>Irrevocable Trust</b>			<b>Irrevocable Trust</b>		
Provide copy. If unavailable describe provisions:			Provide copy. If unavailable describe provisions:		
<b>Power of Attorney</b>			<b>Power of Attorney</b>		
Provide copy. If unavailable describe provisions:			Provide copy. If unavailable describe provisions:		
<b>Living Will</b>			<b>Living Will</b>		
Provide copy. If unavailable describe provisions:			Provide copy. If unavailable describe provisions:		
<b>Pre/Post-Nuptial Agreement</b>			<b>Pre/Post-Nuptial Agreement</b>		
Provide copy. If unavailable describe provisions:			Provide copy. If unavailable describe provisions:		
<b>Marital Property Agreement</b>			<b>Marital Property Agreement</b>		
Provide copy. If unavailable describe provisions:			Provide copy. If unavailable describe provisions:		
<b>Other (Specify)</b>			<b>Other (Specify)</b>		
Provide copy. If unavailable describe provisions:			Provide copy. If unavailable describe provisions:		

# Current Advisors

## Attorney(s)

**Personal Attorney** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

Level of estate tax expertise \_\_\_\_\_

**Business Attorney** - Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

## Accountant(s)

**Personal Accountant** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

**Business Accountant** - Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

**Life Underwriter** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

**Property & Casualty Insurance Agent** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

**Investment Advisor** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

**Pension Advisor** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

**Banker** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

**Trust Officer** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

**Primary Financial Advisor(s)** – Name \_\_\_\_\_

Telephone number \_\_\_\_\_

Relationship \_\_\_\_\_

Importance of relationship \_\_\_\_\_

# Key to Terms—Inventory of Current Assets and Liabilities

<b>FAIR MARKET VALUE:</b>	<i>Gross</i> fair market value of assets (debt not considered).
<b>DEBT:</b>	All debt associated with the asset.
<b>DEBT PAID 1 OR 2:</b>	Enter "1" or "2" (1 <sup>st</sup> death or 2 <sup>nd</sup> death) to indicate when the debt is to be paid. Default is payment at 1st death.
<b>ASSET OWNERSHIP:</b>	
<b>"Cl."</b>	Client's separate property.
<b>"Sp."</b>	Spouse's separate property.
<b>"CP"</b>	Community property of client and spouse. Each spouse owns one-half interest. No right of survivorship as in "Jt" (below). Community property held in joint tenancy with right of survivorship should be listed as <b>Jt.</b>
<b>"Jt."</b>	Client and spouse own jointly with right of survivorship. (Decedent's interest passes to surviving spouse.)
<b>"TC"</b>	Tenancy in Common. (Owner's share passes to his/her probate estate). List owners, relationships and ownership percentages.
<b>COST BASIS:</b>	Cost basis of the asset. For most assets, the acquisition cost.
<b>GROWTH RATE %:</b>	Anticipated annual rate of asset growth. Default is 5%. The assumed growth rate is used to aid in the planning process. Assumed rates do not represent actual investment returns. Returns of actual investments vary and cannot be predicted with certainty.

# Inventory of Current Assets and Liabilities

## Nonqualified Assets

Asset	Fair Market Value	Debt	Debt Paid 1 or 2	Asset Ownership ✓					Cost Basis (Optional)	Growth Rate % (Optional)
				Cl.	Sp.	CP	Jt.	TC		
Checking / Savings Accounts / Money Market Funds / CDs										%
Stocks and bonds (publicly traded)										%
Mutual funds										%
Notes, Accounts, Mortgages receivable										%
Non-marketable securities (Other than business)										%
Home furnishings and personal effects										%
Art / Antiques / Collectibles										%
Autos / Other Vehicles										%
Boats / Airplanes / Recreational Vehicles / Other (Specify)										%
Other (Specify)										%
Other (Specify)										%

## Retirement Assets

Client			Spouse		
Type of Plan	Current Value	Beneficiary	Type of Plan	Current Value	Beneficiary
IRA			IRA		
SEP			SEP		
TSA			TSA		
Profit Sharing plan			Profit sharing plan		
401(k) plan			401(k) plan		
Pension plan			Pension plan		
Non-qualified deferred comp.			Non-qualified deferred comp.		
Non-qualified annuity  <i>Annuitant:</i>  _____ <i>**Description:</i>			Non-qualified annuity  <i>Annuitant:</i>  _____ <i>**Description:</i>		
Other (Specify)			Other (Specify)		
Other (Specify)			Other (Specify)		
Other (Specify)			Other (Specify)		

\*\*Describe annuity: Deferred or immediate? Currently in payout (annual income)? Period certain? Refund? Contingent beneficiary?

## Personal Real Estate

Personal Residence									
Fair Market Value	Debt	Debt Paid 1 or 2	Asset Ownership ✓					Cost Basis (Optional)	Growth Rate % (Optional)
			Cl.	Sp.	CP	Jt.	TC		
									%
Should we presume your family would continue to live here beyond your lifetime? If so, provide details.									

Seasonal Residence #1 (not used for rental purposes)									
Fair Market Value	Debt	Debt Paid 1 or 2	Asset Ownership ✓					Cost Basis (Optional)	Growth Rate % (Optional)
			Cl.	Sp.	CP	Jt.	TC		
									%
Location and description:									
Do you have any specific plans for the disposition of the seasonal residence? If so, provide details.									
Is this a property your children would retain and share? If so, provide details.									
Does any family member have close ties to this specific property? If so, provide details.									

Seasonal Residence #2 (not used for rental purposes)									
Fair Market Value	Debt	Debt Paid 1 or 2	Asset Ownership ✓					Cost Basis (Optional)	Growth Rate % (Optional)
			Cl.	Sp.	CP	Jt.	TC		
									%
Location and description:									
Do you have any specific plans for the disposition of the seasonal residence? If so, provide details.									
Is this a property your children would retain and share? If so, provide details.									
Does any family member have close ties to this specific property? If so, provide details.									

## Investment Real Estate

Investment Real Estate #1 (not personally used)									
Fair Market Value	Debt	Debt Paid 1 or 2	Asset Ownership ✓					Cost Basis (Optional)	Growth Rate % (Optional)
			Cl.	Sp.	CP	Jt.	TC		
									%
Net cash flow: \$ _____ Location and description:  Type of entity: <input type="checkbox"/> Sole ownership <input type="checkbox"/> Partnership <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Other (Specify) Names of other owners and % owned:  How quickly could you sell your interest today?  Would it be kept or sold at death?									

Investment Real Estate #2 (not personally used)									
Fair Market Value	Debt	Debt Paid 1 or 2	Asset Ownership ✓					Cost Basis (Optional)	Growth Rate % (Optional)
			Cl.	Sp.	CP	Jt.	TC		
									%
Net cash flow: \$ _____ Location and description:  Type of entity: <input type="checkbox"/> Sole ownership <input type="checkbox"/> Partnership <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Other (Specify) Names of other owners and % owned:  How quickly could you sell your interest today?  Would it be kept or sold at death?									

### Investment Real Estate #3 (not personally used)

Fair Market Value	Debt	Debt Paid 1 or 2	Asset Ownership ✓					Cost Basis (Optional)	Growth Rate % (Optional)
			Cl.	Sp.	CP	Jt.	TC		
									%

Net cash flow: \$ \_\_\_\_\_

Location and description:

Type of entity:  Sole ownership  Partnership  C Corporation  S Corporation  Other (Specify)

Names of other owners and % owned:

How quickly could you sell you interest today?

Would it be kept or sold at death?

### Investment Real Estate #4 (not personally used)

Fair Market Value	Debt	Debt Paid 1 or 2	Asset Ownership ✓					Cost Basis (Optional)	Growth Rate % (Optional)
			Cl.	Sp.	CP	Jt.	TC		
									%

Net cash flow: \$ \_\_\_\_\_

Location and description:

Type of entity:  Sole ownership  Partnership  C Corporation  S Corporation  Other (Specify)

Names of other owners and % owned:

How quickly could you sell you interest today?

Would it be kept or sold at death?

# General Insurance Information

Life Insurance on:	Client's Life	Spouse's Life	Both Lives (2 <sup>nd</sup> to die)
Total death benefit	\$ _____	\$ _____	\$ _____
Owner(s)	_____	_____	_____
Beneficiary(ies)	_____	_____	_____
Type of policy(ies)	_____	_____	_____
Purpose of insurance	_____	_____	_____

## Disability Insurance

Coverage amount: \$ \_\_\_\_\_

Carrier: \_\_\_\_\_

Description: \_\_\_\_\_

Adequate protection? \_\_\_\_\_

## Long-Term Care Insurance

Coverage amount: \$ \_\_\_\_\_

Carrier: \_\_\_\_\_

Description: \_\_\_\_\_

Adequate protection? \_\_\_\_\_

## Medical Insurance

Coverage amount: \$ \_\_\_\_\_

Carrier: \_\_\_\_\_

Description: \_\_\_\_\_

Adequate protection? \_\_\_\_\_

Will continue:

After you retire?  Yes  No

If you become disabled?  Yes  No

After your death?  Yes  No

# Business #1

Legal name: \_\_\_\_\_

Business operates as:

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> C corporation             | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> General partnership | <input type="checkbox"/> S corporation             | <input type="checkbox"/> Other: _____                  |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Limited liability company |  |

Fiscal year ends: \_\_\_\_\_

Number of full-time employees: \_\_\_\_\_

Describe principal business activity:

Do you have an employment contract? **(If Yes:)** Describe provisions.

**(If a corporation:)** Do you have a board of directors?  Yes  No

**(If yes:)** Who are your directors?

Stockholder / Owner	Relationship to Client	Active / Non-Active	(Ownership %)	
			Voting Interest	Non-Voting Interest
			%	%
			%	%
			%	%
			%	%

How did you acquire your interest in the business? When? At what price?

Have there been transfers of business interest by sale, gift or inheritance? **(If yes:)** Describe the nature of the transfer, date, price and valuation method used.

## Valuation – Business #1

What is the current **book value** of the **entire business**? \$ \_\_\_\_\_

Regarding the balance sheet, are there significant differences between the balance sheet value and the fair market value of the real estate, equipment, inventory or other assets? **(Describe)**

Are salaries paid to family member(s) unusually high or low? Are rents paid on personally owned real estate unusually high or low? **(Describe)**

Regarding business value, if you were selling the entire business, who would be interested in acquiring it and for approximately what price?

Company profits, before taxes, for the past three years:

Period	Year	Before Tax Profit
1 (most recent)		
2		
3		

What issues could be argued to claim a lower business value for tax purposes?

Is the business marketable today? **(Describe)**

Have similar businesses been sold? If so, under what valuation method? How does that relate to the value of your business?

**For estate calculation purposes, what business value should be used?** \_\_\_\_\_

**What is the anticipated growth rate?** \_\_\_\_\_ %

# Business #2

Legal name: \_\_\_\_\_

Business operates as:

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> C corporation             | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> General partnership | <input type="checkbox"/> S corporation             | <input type="checkbox"/> Other: _____                  |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Limited liability company |  |

Fiscal year ends: \_\_\_\_\_

Number of full-time employees: \_\_\_\_\_

Describe principal business activity:

Do you have an employment contract? **(If Yes:)** Describe provisions.

**(If a corporation:)** Do you have a board of directors?  Yes  No

**(If yes:)** Who are your directors?

Stockholder / Owner	Relationship to Client	Active / Non-Active	(Ownership %)	
			Voting Interest	Non-Voting Interest
			%	%
			%	%
			%	%
			%	%

How did you acquire your interest in the business? When? At what price?

Have there been transfers of business interest by sale, gift or inheritance? **(If yes:)** Describe the nature of the transfer, date, price and valuation method used. (If formal appraisal was completed, obtain a copy.)

## Valuation – Business #2

What is the current **book value** of the **entire business**? \$ \_\_\_\_\_

Regarding the balance sheet, are there significant differences between the balance sheet value and the fair market value of the real estate, equipment, inventory or other assets? **(Describe)**

Are salaries paid to family member(s) unusually high or low? Are rents paid on personally owned real estate unusually high or low? **(Describe)**

Regarding business value, if you were selling the entire business, who would be interested in acquiring it and for approximately what price?

Company profits, before taxes, for the past three years:

Period	Year	Before Tax Profit
1 (most recent)		
2		
3		

What issues could be argued to claim a lower business value for tax purposes?

Is the business marketable today? **(Describe)**

Have similar businesses been sold? If so, under what valuation method? How does that relate to the value of your business?

**For estate calculation purposes, what business value should be used?** \_\_\_\_\_

**What is the anticipated growth rate?** \_\_\_\_\_ %

# Business #3

Legal name: \_\_\_\_\_

Business operates as:

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> C corporation             | <input type="checkbox"/> Limited liability partnership |
| <input type="checkbox"/> General partnership | <input type="checkbox"/> S corporation             | <input type="checkbox"/> Other: _____                  |
| <input type="checkbox"/> Limited partnership | <input type="checkbox"/> Limited liability company |  |

Fiscal year ends: \_\_\_\_\_

Number of full-time employees: \_\_\_\_\_

Describe principal business activity:

Do you have an employment contract? **(If Yes:)** Describe provisions.

**(If a corporation:)** Do you have a board of directors?  Yes  No

**(If yes:)** Who are your directors?

Stockholder / Owner	Relationship to Client	Active / Non-Active	(Ownership %)	
			Voting Interest	Non-Voting Interest
			%	%
			%	%
			%	%
			%	%

How did you acquire your interest in the business? When? At what price?

Have there been transfers of business interest by sale, gift or inheritance? **(If yes:)** Describe the nature of the transfer, date, price and valuation method used. (If formal appraisal was completed, obtain a copy.)

### Valuation – Business #3

What is the current **book value** of the **entire business**? \$ \_\_\_\_\_

Regarding the balance sheet, are there significant differences between the balance sheet value and the fair market value of the real estate, equipment, inventory or other assets? **(Describe)**

Are salaries paid to family member(s) unusually high or low? Are rents paid on personally owned real estate unusually high or low? **(Describe)**

Regarding business value, if you were selling the entire business, who would be interested in acquiring it and for approximately what price?

Company profits, before taxes, for the past three years:

Period	Year	Before Tax Profit
1 (most recent)		
2		
3		

What issues could be argued to claim a lower business value for tax purposes?

Is the business marketable today? **(Describe)**

Have similar businesses been sold? If so, under what valuation method? How does that relate to the value of your business?

**For estate calculation purposes, what business value should be used?** \_\_\_\_\_

**What is the anticipated growth rate?** \_\_\_\_\_ %

# All Businesses

[or]  Business #1     Business #2     Business #3  
(Make additional photocopies as necessary.)

## Loans and Indebtedness

When the corporation borrows money, must certain individuals co-sign or guarantee the loan? Who?

Is any life insurance assigned as collateral? If yes, list.

Who are your largest suppliers/customers?

Would a termination in the relationship with any of the above impact your business?

## Key Personnel

Which employees are "key" to the continued success of your business?

Name	Position / Duties	Age	Years Employed	Salary & Bonus

Do you currently provide? (Check) (Provide Copies)

- | Pension
- | Salary continuation
- | Stock options
- | Group: Life
- | Profit Sharing
- | Phantom stock
- | Disability
- | 401(k)
- | Deferred compensation
- | Stock appreciation rights
- | Medical
- | ESOP
- | Employment contracts
- | Dental

Describe the benefit plans you selected on the previous page (amount and type of benefit).

Regarding the importance of these employees: How much would the business suffer if any of these employees left the company?

Do any of the plans in place provide incentive for the employee to remain with the company?

Would it be appropriate to review specific benefits to tie any of these employees to the business?

Would it be valuable to discuss this with the key executives?

**If business is a C corporation:**

- What is the corporate tax bracket? (federal plus state) \_\_\_\_\_ %
- Is the company forced to pay dividends to avoid accumulated earnings tax?     Yes     No
  - **(If Yes:)** Average annual dividend \_\_\_\_\_

**If business is an S corporation:**

- Is cash in excess of tax requirements distributed? **(If yes:)** How much? \_\_\_\_\_
- The company is on the  Cash     Accrual    basis of accounting.
- Has the company changed from C corporation status to S corporation status subsequent to 1982?     Yes     No
  - **(If yes:)** What is the amount of the company's accumulated earnings and profits (AE&P) account?  
**(Will need to obtain from CPA) \$** \_\_\_\_\_

## Business Succession, General

Describe the succession plan currently in place.

Who would take over and run the business in the event of your death?

Has this plan been communicated with family members and other people involved?  Yes  No

Is the plan in writing?  Yes  No

Are there any agreements or documents in place that affect the business continuation plan (buy-sell, shareholder, partnership agreements, wills, trusts)? **(Describe)**

What are the biggest hurdles that must be overcome to ensure a smooth business continuation?

What are your personal plans for continued involvement in the business? (i.e., continue for as long as capable, slow down, retire at some future date, etc.)

Are there any non-owner family members who are employed in the business? **(Describe their roles, and opportunities for the future)**

## Business to be Retained in the Family

### ***Control and Equity***

Would you be comfortable beginning to shift business equity (not necessarily control) to the next generation(s) at discounted values?  Yes  No

- **(If yes:)** To whom and to what extent?

### **If client is 50% owner or greater:**

- Do you want to retain voting control?  Yes  No
- Do you envision yourself ever owning less than 50% of the voting interest to help minimize the estate tax burden?
  
- Describe your personal philosophy regarding control of the business.
  
- In the event of your death, who should be in voting control of the business?

### ***Inheritance Equalization***

If each of your children will not own an equal part of the business, are you concerned about equalizing the estate for all children? **(Describe)**

### **(If equalization is desired:)**

- What amount of cash or assets would you consider fair equalization?
  
- When should the equalization take place:
  - Lifetime of owner?
  - Death of owner?
  - Death of surviving spouse?

## ***Spouse Ownership***

**(If the current plan is for owner's spouse (or a trust for spouse) to own the business:)**

- Describe your spouse's involvement in the business
- **(If spouse's trust is to own the business:)** Describe the trustee's ability to make critical decisions regarding the business
- What are the main reasons for having the stock pass to your spouse (outright or in trust)?
- Would it be more desirable for your spouse to receive cash to provide security, and have the business owned outside of your spouse's taxable estate? **(Discuss)**
- Would it be more desirable for your child(ren) (or a special business trust) to own the business at your death?

## ***Business Real Estate***

Should ownership of the real estate follow ownership of the business?

Alternatively, should the real estate be used as an income source for the spouse? Or as an equalization asset for non-active children? **(Discuss pros and cons)**

## ***Opportunity Shifting***

Is there a potential for "opportunity shifting?"

## **Business to be Sold Outside Family**

**(If a Buy-Sell Agreement is in place:)** Is the business valued at a fair value?

Would you be comfortable lowering the value of the business in the buy-sell agreement if its full value could be delivered to your family in a more tax-efficient manner?

Is the buy-out mandatory:

If employment is terminated?	Yes	No
Upon permanent disability?	Yes	No
Upon death?	Yes	No

If the business was sold shortly after the death of an owner, could it be sold for substantially more than the agreed price?

If there is no mandatory agreement in place, how will the business be disposed of, and at what price?

Who should be responsible for making these decisions?

# Detailed Life Insurance Summary

## Personal Life Insurance

### ***Client is Insured:***

Company / Policy #	Owner: Cl., Sp., CP, Trust, Child, Estate, Other (Specify)	Beneficiary: Cl., Sp., Trust, Child, Estate, Other (Specify)	Gross Cash Value	Loan Amount	Premium/ Mode	Gross Death Benefit

### ***Spouse is Insured:***

Company / Policy #	Owner: Cl., Sp., CP, Trust, Child, Estate, Other (Specify)	Beneficiary: Cl., Sp., Trust, Child, Estate, Other (Specify)	Gross Cash Value	Loan Amount	Premium/ Mode	Gross Death Benefit

***Joint and Last Survivor:***

Company / Policy #	Owner: Cl., Sp., CP, Trust, Child, Estate, Other (Specify)	Beneficiary: Cl., Sp., Trust, Child, Estate, Other (Specify)	Gross Cash Value	Loan Amount	Premium/ Mode	Gross Death Benefit

***Children are Insureds:***

Company / Policy #	Owner: Cl., Sp., CP, Trust, Child, Estate, Other (Specify)	Beneficiary: Cl., Sp., Trust, Child, Estate, Other (Specify)	Gross Cash Value	Loan Amount	Premium/ Mode	Gross Death Benefit

## Business Life Insurance:

Company / Policy #	Insured: Cl., Sp., SWL, Other (Specify)	Owner: Cl., Sp., CP, Trust, Child, Estate, Business, Other (Specify)	Owned by Business No. _____	Beneficiary: Cl., Sp., Trust, Child, Estate, Business # _____, Other (Specify)	Is Policy for Buy- Sell Plan?	If Split \$ Policy, Total Premium Paid by Co.	% of Co. Owned by Client and Spouse?		Gross Death Benefit
							Cl.	Sp.	

# Personal Estate Planning

## Current Gifting

Are you making annual exclusion gifts?

- To children: **(Describe)**
  
- To grandchildren: **(Describe)**
  
- To others: **(Describe)**

Are you making gifts for education or medical needs? **(Describe)**

Have you made unified credit gifts? **(Describe amount and type of asset)**

- **(If yes:)** Was a gift tax return filed?  Yes  No Are you comfortable shifting business or non-business assets to the next generation in order to reduce estate taxes? **(Discuss control)**
  
- **(If yes:)** Would you want to:
  - Gift a significant amount of assets immediately?
  - Gift a significant amount of assets at a specific time in the future? (When: \_\_\_\_\_)
  - Spread the gifts out over time?

Do you or your spouse expect any significant inheritances?

What level of assets must you maintain for your and your spouse's security? **(Discuss)**

## General Information

What is your most rapidly appreciating asset(s)?

### **(If IRA or qualified plan assets are substantial:)**

- Have you had discussions regarding the impact of income and estate taxes on qualified plan assets?
  
  
  
  
  
  
  
  
  
  
- Do you anticipate needing these funds for your retirement?

Is there substantial liquidity in the business that can be used to fund estate taxes?  Yes  No

What is the average business liquidity at any given time?

How much could be used for estate tax funding without jeopardizing the success of the business?

## Charitable Giving

Do you have any strong charitable interests? **(Describe)**

Approximately how much do you give to charity each year?

**(If a significant amount:)** How do you make these gifts (i.e., cash, appreciated securities, company stock, other)?

**(If charitable inclination has been expressed:)**

- Do you have an interest in doing more for charity?  Yes  No
  - **(If yes:)** Would you be interested in studying the tax advantages involved in sophisticated charitable strategies?  Yes  No
- (Discuss: CRT – retained income for life; asset to charity)

- 
- (Discuss: CLT – income to charity; asset to family)

- 
- Would you have an interest in creating your own private foundation (under which you and your family could control gifted assets)?  Yes  No

- **(If Yes:)** What purpose would it have and who would be actively involved?

- How much would you be prepared to contribute to establish the foundation?

Year 1 \_\_\_\_\_ Year 2 \_\_\_\_\_ Year 3 \_\_\_\_\_

Are there specific charitable bequests you would like fulfilled upon your death or the death of your spouse? **(Describe)**

If you predecease your spouse, would your spouse make these charitable gifts on your behalf?

## Survivor Needs Planning - Capital Needs Analysis

**Projected to the surviving spouse's age 90 unless otherwise indicated.**

<b>(Capital Needs Analysis program requires <u>all</u> of the following:)</b>	Client	Spouse
Current annual income from all sources (not including investment income).		
Desired annual survivor income (after tax).		
Expected rate of return on existing funds. <i>(Default is 5%)</i>	%	%
What do you expect inflation to be? <i>(Default is 3%)</i>	%	%
Other income stream(s) (not including investment income) to be received; indicate dollar amount and duration.		
Education funds needed?		
Assets not available for income production. <i>(Defaults are residence and tangible personal property.)</i>		
Should Social Security be illustrated? (yes/no) <i>(Default is no.)</i>		

## Retirement Needs Planning - Retirement Needs Analysis

**Projected to the surviving spouse's age 90 unless otherwise indicated.**

<b>(Retirement Needs Analysis program requires <u>all</u> of the following:)</b>	Client	Spouse
Current annual income (not including investment income).		
Expected retirement age.		
Desired annual pre-tax income.		
Pre-tax rates of return to be illustrated for existing funds. <i>(Defaults is 5%)</i>	%	%
Total current annual contributions to retirement plan(s).		
Other income stream(s) (not including investment income) to be received upon retirement; indicate dollar amount and duration.		
Expected average rate of inflation? <i>(Default is 3%)</i>	%	%
Assets not available for income production. <i>(Defaults are residence and tangible personal property.)</i>		

What is your present plan for retirement? **(Describe)**

Would you like to formalize a plan for retirement? **(Describe)**

## Financial Independence from the Business

To what extent should income from the business be utilized for retirement income?

Would existing real estate assets provide consistent cash flow for retirement?

Are there any other significant income-producing assets?

# Summary of Clients' Objectives

- **Business Disposition**
- **Asset Protection**
- **Estate Distribution**
- **Surviving Spouse's Income**
- **Equalization**
- **Asset Shifting**
- **Charitable Giving**

# Receipt for Documents

Client's Name \_\_\_\_\_

Nautilus Member \_\_\_\_\_

Date \_\_\_\_\_

## Personal

Wills:  Client  Spouse  Other (Specify:) \_\_\_\_\_  Other (Specify:) \_\_\_\_\_

Trusts (Specify:)

Personal insurance policies (Specify:)

Divorce/Separation documents (Specify:) \_\_\_\_\_

Pre- or post-nuptial agreement (Specify:) \_\_\_\_\_

Income tax returns (Years:) \_\_\_\_\_

Gift tax returns (Years:) \_\_\_\_\_

Personal financial statements (Years:) \_\_\_\_\_

## Business

Business insurance policies (Specify:)

Buy-sell agreements (Specify:)

Shareholder/Partnership/LLC Agreements (Specify:)

Company tax returns (Specify:) \_\_\_\_\_

Company financial statements (Years:) \_\_\_\_\_

Employment contracts (Specify:) \_\_\_\_\_

Executive compensation agreements (Specify:) \_\_\_\_\_

## **Employee Benefits**

Group Life/Health Documents (Specify:) \_\_\_\_\_

Qualified plan documents (Specify:) \_\_\_\_\_

## **Other**

(Specify:) \_\_\_\_\_




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