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| Family business planning  Request for proposal |

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| --- | --- | --- | --- | --- |
| Date: |  |  | |  |
| Principal agency/BGA partner office name and number\*: | | |  | |
| \*Proposals will not be provided without an indication of a valid Principal agency or BGA partner relationship. | | | | |

**Financial professional & proposal delivery information**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Name and designations: | | | |  | | |
| Email: |  | | | | Phone: |  |
| Name and designations: | | | |  | | |
| Email: |  | | | | Phone: |  |
| **Principal wholesaler:** | | |  | | | |
| Should anyone else (Financial professional or BGA) receive this proposal? If so, please provide: | | | | | | |
| Name: |  | | | | | |
| Email address: | |  | | | | |

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| **Please allow 15 business days from receipt of RFP on all proposals.**  **Questions** can be sent to newrfps@exchange.principal.com or **call** 1-833-803-8345.  **Email RFP** to newrfps@exchange.principal.com or **fax RFP** to Case Design Team, 866-946-3209. |

**Family information**

**You (and spouse)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Name | Date of birth | Occupation | Number of remaining working years | Notes |
|  |  |  |  |  |
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**Your children**

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| --- | --- | --- | --- | --- |
| Name | Date of birth | Name of spouse | Number of children | Notes |
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**Your parents**

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| --- | --- | --- | --- | --- |
| Name | Date of birth | Living? | Number of children | Do they have an estate plan? |
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**Your goals**

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| --- | --- | --- | --- | --- |
| 1. To whom will you sell or transfer the business? | | | | |
| Family member  Co-owner  Third party  Other  Unsure | | | | |
| Name(s): |  | Relationship: | |  |
| 2. When do you want to transition out of the business? | | | | |
| During lifetime  Following death  Specified date | | |  | |
| Partly during lifetime \ partly following death  Not yet determined | | | | |
| 3. How do you plan to transition the business? | | | | |
| Gift  Sale  Bequest  Combination  Unsure | | | | |
| 4. Do you have a written agreement stating the terms and conditions of this transfer? | | | | |
| Yes, in estate plan  Yes, in buy-sell agreement  Yes, in operating agreement | | | | |
| Yes, in other document  No  Unsure | | | | |

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| 5. If you have a buy-sell agreement, what are the triggering events? (Check all that apply.) | | | |
| Death  Disability  Termination of employment  Divorce | | | |
| Personal bankruptcy  Other |  | | Not applicable |
| 6. Is the buy-sell agreement funded with life insurance? | | | |
| Yes  No  Unsure  Other | |  | |
| If yes, please provide values in schedule on page 5. | | | |
| 7. Is the buy-sell agreement funded with disability buyout insurance? | | | |
| Yes  No  Unsure  Other | |  | |
| If yes, please provide values in schedule on page 5. | | | |
| 8. Do you have a plan to protect you and your future successor(s) in the event of his or her death or disability? | | | |
| Yes  No  Unsure | | | |

**Estate plans**

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| Your estate plans serve a key role in the continuation of your business. Please tell us what you have and what you would like to accomplish. |

**What do you have?**

|  |  |
| --- | --- |
| Last will and testament | Yes  No  Unsure |
| Revocable trust | Yes  No  Unsure |
| Family trust | Yes  No  Unsure |
| Medical power of attorney | Yes  No  Unsure |
| Financial power of attorney | Yes  No  Unsure |
| Living will | Yes  No  Unsure |
| Irrevocable life insurance trust | Yes  No  Unsure |

**What are your estate goals?**

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| --- | --- | --- | --- | --- | --- | --- |
| All to spouse; then equally to children  Equally to children  All to spouse; then business to successor(s); remainder of assets to other heirs  Business to successor(s); remainder of assets to other heirs | | | | | | |
| Specified amounts | |  | Fair to all children (describe) | |  | | |
| Other |  | | | | | Unsure | |
| Are you confident your current estate documents provide for these distributions? | | | | | | | |
| Yes  No  Unsure | | | | | | | |
| Are you interested in gifting to charity? If yes, which charities? | | | |  | | | |
| Are you concerned about federal estate taxes? | | | | | | | |
| Yes  No  Unsure | | | | | | | |
| Are you interested in transferring the business at a discounted value? | | | | | | | |
| Yes  No  Unsure | | | | | | | |

**Financial summary**

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| We need to have a clear picture of your finances in order to assist you. This information is personal, so we’ll keep it private. If additional space is needed, feel free to provide separate financial statements. |

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| --- | --- | --- | --- | --- |
| Real estate | | Ownership | Value | Liabilities |
| Residence | |  |  |  |
| Business building | |  |  |  |
| Vacation home | |  |  |  |
| Other |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Personal assets | | Ownership | Value | Liabilities |
| Cash and equivalents | |  |  |  |
| Investments | |  |  |  |
| Retirement plans – you | |  |  |  |
| Retirement plans – spouse | |  |  |  |
| IRAs – you | |  |  |  |
| IRAs – spouse | |  |  |  |
| Roth IRAs – you | |  |  |  |
| Roth IRAs – spouse | |  |  |  |
| Annuities – you | |  |  |  |
| Annuities – spouse | |  |  |  |
| Other |  |  |  |  |

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| --- | --- | --- | --- | --- |
| Other assets | | Ownership | Value | Liabilities |
| Personal property | |  |  |  |
| Vehicles | |  |  |  |
| Collectibles | |  |  |  |
| Future inheritances | |  |  |  |
| Other |  |  |  |  |

**Business information summary**

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| Have you received a Principal Informal Business Valuation? | | | | | | | | |
| Yes | | | | | | | | | |
| No. Please provide estimated business value: | | | | | $ | |  | | |
| I would like more information about receiving a Principal® Informal Business Valuation. | | | | | | | | | |
| Business name: | | |  | | | City, State: | |  |
| Successor(s): | |  | | | | | | |
| Entity type: | |  | | | | | | |
| Ownership (joint?): | | | |  | | | | |
| Liabilities: |  | | | | | | | |

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| Income sources | | Annual income | Age income begins | Age income ends |
| Wages (W-2, guaranteed payments) – you | |  |  |  |
| Wages (W-2, guaranteed payments) – spouse | |  |  |  |
| Social Security – you | |  |  |  |
| Social Security – spouse | |  |  |  |
| Rental income | |  |  |  |
| Business income for you and your spouse (K-1, dividends) | |  |  |  |
| Pension – you | |  |  |  |
| Pension – spouse | |  |  |  |
| Investment income | |  |  |  |
| Deferred compensation – you | |  |  |  |
| Deferred compensation – spouse | |  |  |  |
| Other income |  |  |  |  |

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| Do you feel you have adequate income-producing assets and savings to generate enough income after you stop working? | |
| Yes  No  Unsure | | |
| How much income do you need annually for living expenses? |  |

**Life insurance policies**

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| --- | --- | --- | --- | --- | --- | --- |
| Description | Insured | Face amount | Cash value | Premium | Owner | Beneficiary |
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**Disability insurance policies**

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| --- | --- | --- | --- | --- | --- |
| Description | Insured | Benefit amount | Premium | Elimination period | Group or individual |
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| Is any of this coverage designated for creditors or lenders? |
| Yes  No  Unsure | |
| Are you concerned about a chronic illness? |
| Yes  No  Unsure | |
| Do you have a policy that includes provisions to protect you in the case of a chronic illness? |
| Yes  No  Unsure | |

**Assumptions**

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| Please let us know what assumptions you’d like us to use. If you’re unsure, you can leave this section blank and we will use default assumptions. |

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| Growth rate on assets: | % |  | Current income tax rate (State and Federal): | % |  |
| Growth rate on investments: | % |  | Current capital gains tax rate: | % |  |
| Inflation rate: | % |  | Mortality age: |  |  |