PACIFIC LIFE

# BUSINESS & LIFE INSURANCE
# NEEDS ANALYSIS QUESTIONNAIRE FOR

**(Business)**

**(Owner/Client)**

## Introduction

**A. Some things to keep in mind and share with your business owner clients:**

- You specialize in working with business owners creating customized plans to address retirement, business, and estate planning goals.
- As a financial professional,* you need to get a better understanding of them, their role, and their company.
- The primary goal of this initial meeting is to identify on a very high level their top planning concerns and to determine if your firm may be the right fit to provide some options for them to consider.

*Note: It's recommended that you research the company/owner before you go to the client needs analysis interview using resources such as the company's website, Google, LinkedIn, Social Media, etc.*

**B. Suggested introductory questions:**

| | |
|---|---|
| Please tell me about your business. | |
| What are some of your primary business goals over the next two to five years? | |
| What are your top challenges that you or your business may be facing? | |

**Now I'd like to address some common business issues to learn more about your specific planning needs...**

*In order to sell life insurance, a financial professional must be a properly licensed and appointed life insurance producer.

## Protecting the Business Against the Loss of Key Employees

| | |
|---|---|
| Which individuals, including yourself, are most key to the success of the business? | |
| Of the individuals you identified as key to the success of the business, if any of them voluntarily left or died, would that pose a significant financial hardship to the business? | |
| Can you quantify how big of a financial hardship it would pose? What would it cost to replace this individual? What would be the impact on company sales and revenue? | |

To the extent that you haven't taken steps to fully protect your business from the loss of a key employee, are either of the following concerns that you would like to address as part of your planning?

- Key employee death benefit protection ☐ Yes ☐ No #1
- Key employee retention plans ☐ Yes ☐ No #2

## Business Succession

Do you currently have a formal plan in place providing for the transition of your business interest in the event of death, disability, retirement, etc.? ☐ Yes ☐ No

- If yes, does it reflect your current goals regarding how you would ideally like to exit your business? ☐ Yes ☐ No
- If you are planning on selling your interest, is there a plan in place for how the buyer will pay for it? ☐ Yes ☐ No

| | |
|---|---|
| (Optional) If you don't have a plan in place and if something were to unexpectedly happen to you, how would your co-owners, key employees, and clients/customers react to your spouse/heirs taking over your interest in the business? | |
| (Optional) If you don't have a plan in place and if something were to unexpectedly happen to you, do you feel confident that your family will be provided for (either via receiving fair value for the business or continuing to receive income from the business)? | |

## Business Succession (continued)

(Optional) If you don't have plan in place, is there someone that you can envision taking over your interest (e.g., key employee, family member, co-owner)? If so, do you feel that they are currently capable of taking over for you?

If they are not currently capable of taking over, have you given any thought as to how the business will survive until they are ready?

To the extent that you don't have a properly funded plan in place that reflects your current goals regarding exiting the business, is this a top concern that you would like to address as part of your planning? ☐ Yes ☐ No #3

## Retirement Planning

| | |
|---|---|
| What do you envision will be the primary source of your retirement income? | |
| Have you determined how much retirement income you need to retire comfortably? | |
| If so, are you confident that you're saving enough to meet your retirement goal? | |
| If you could save more money for retirement, how much would you ideally like to put away? | |

To the extent that you haven't taken steps to quantify your retirement goal or you're behind on your retirement savings, is this something that you would like to address as part of your planning? ☐ Yes ☐ No #4

Do you have a plan in place to protect your retirement assets against the risk of long-term health care expenses? ☐ Yes ☐ No

- If not, is this something you would like to explore? ☐ Yes ☐ No #5

Do you currently offer a retirement plan for your *employees* (e.g., SEP, 401(k), defined benefit plan)? ☐ Yes ☐ No

- If not, is this something you would like to explore? ☐ Yes ☐ No #6

## Summarize and Prioritize Needs

Listed below are the planning needs covered in this business needs analysis questionnaire. In the middle column, please indicate the planning needs for which the client indicated "yes" that they would like to explore as part of their planning. Once you've done that, rank the "yes" responses.

| Potential Planning Needs | Check if a "Yes" Response | Rank "Yes" Responses |
|---|---|---|
| #1 Key employee death benefit protection | | |
| #2 Key employee retention planning | | |
| #3 Funded exit plan | | |
| #4 Personal retirement planning | | |
| #5 Long term care planning | | |
| #6 Employee retirement plan | | |

## Next Steps

Now that you have identified and prioritized their potential planning needs, let your clients know the next step will be to conduct more detailed fact finding. Schedule a follow-up meeting focused on their top planning priority.

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