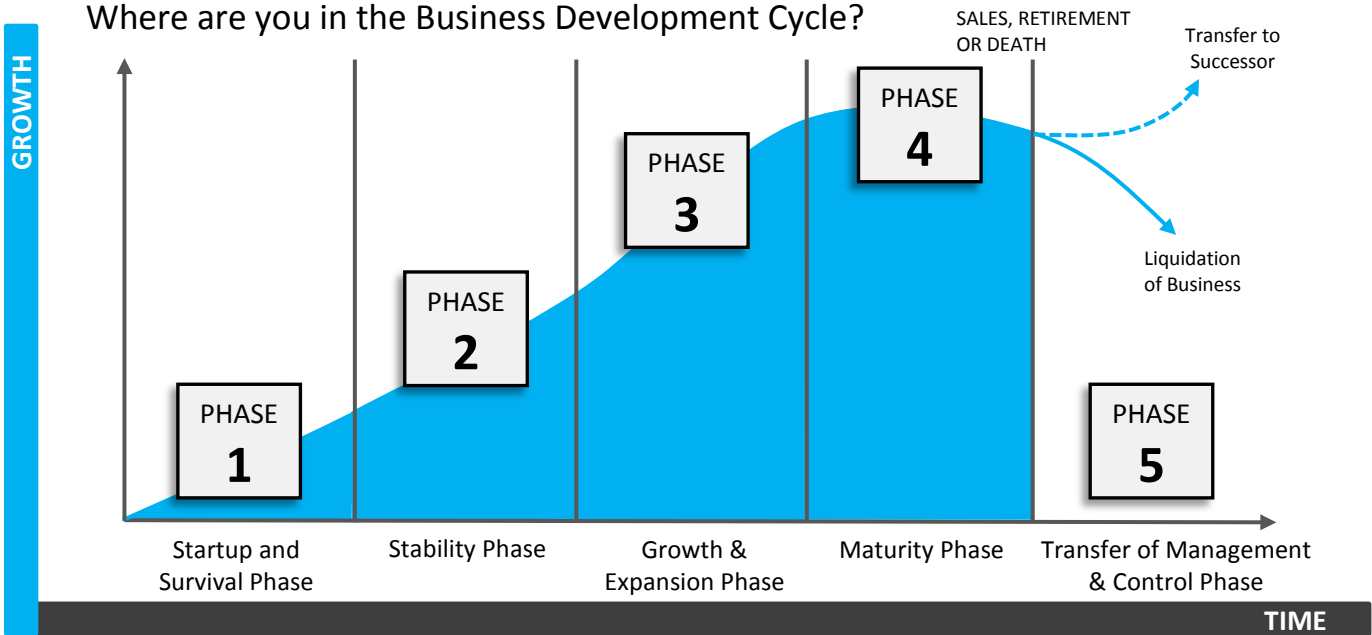


Where are you in the Business Development Cycle?



Varying stages of the business development present varying financial and insurance needs. This checklist provides guidance in identifying the basic needs at each stage.

Yes No

Phase 1 – Startup & Survival

- Business owner family hospital and major medical protection
- Business owner disability income protection
- Life insurance for business debts and family needs

Phase 2 – Stability

- Hospital, major medical and life protection for employees
- Buy-out agreement to preserve business value for family in case of: a) death b) disability c) severance
- Protection from loss of key person upon death or disability
- Initial funding for family needs: e.g. college, retirement, pension and/or profit sharing plan(s)

Yes

No

Phase 3 – Growth & Expansion

- Retirement planning for business owner
- Business owner bonus plan (Section 162)
- Employee salary reduction 401(k) and/or profit sharing plan
- Business owner estate planning
- Enhancement of employee benefit plan

Phase 4 – Maturity

- Key person benefit program(s): e.g. deferred compensation
- Cafeteria benefit plan for employees (Section 125)

Phase 5 – Transfer of Management & Control

- Gift/purchase arrangement for family members working in business
- Sale of business interests to other co-business owner(s)
- Recapitalization and reorganization
- Acquisition or merger
- Retirement of business owner
- Lifetime sale to key employee or third party