

Financial needs analysis for business owners

Business name


Presented by

Title



Date of creation
(DD-MM-YYYY)

Date of last modification
(DD-MM-YYYY)

 **For optimal use of this document, please use Adobe Acrobat.**

A – Basic information about the business

Business name		Registration number (federal/provincial)	
Address	City	Province	Postal code
Business email	Business Website		Business phone number
Line of business	Authorized person		
Date established (DD-MM-YYYY)	Date of last capital reorganization (DD-MM-YYYY)	Reason of the last reorganization	

Fiscal year-end: _____ Type of business: ☐ Operations ☐ Management

Legal structure: ☐ Corporation ☐ Trust ☐ Partnership ☐ Sole proprietorship

Number of employees: _____ Number of paid hours: _____ Fair Market (FMV): \$ _____

Tax expert: _____ Phone: _____

Accountant: _____ Phone: _____

Legal advisor: _____ Phone: _____

Future development plans: ☐ Growth: _____ % yearly ☐ Stability ☐ Downsizing: _____ % yearly

Future projects: _____

Financial overview:

Year	Sale revenue	Net profit/loss before taxes	Assets	Liabilities
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$

Key persons:

<input type="checkbox"/> Key person		<input type="checkbox"/> N/A
Name		Date of birth (DD-MM-YYYY)
<input type="checkbox"/> Non-smoker	Salary (annual)	Title
<input type="checkbox"/> Smoker	\$	

Would the prolonged absence of this person have an impact on the business? ☐ No ☐ Yes (if yes, please add details):

<input type="checkbox"/> Key person		<input type="checkbox"/> N/A
Name		Date of birth (DD-MM-YYYY)
<input type="checkbox"/> Non-smoker	Salary (annual)	Title
<input type="checkbox"/> Smoker	\$	

Would the prolonged absence of this person have an impact on the business? ☐ No ☐ Yes (if yes, please add details):

B – Basic information about the legal structure

☐ Corporation

☐ N/A

Incorporation date (DD-MM-YYYY): _____

Corporation type: ☐ Private ☐ Public

If a private corporation, does it qualify
as a small business corporation (SBC)?

☐ No ☐ Yes

Is there a signed shareholder agreement?

☐ No ☐ Yes Date (DD-MM-YYYY): _____

Has it been amended?

☐ No ☐ Yes Date (DD-MM-YYYY): _____

Has there been a share capital reorganization?

☐ No ☐ Yes Reason: _____

Is the value of any subsidiaries included in the FMV? ☐ No ☐ Yes FMV of subsidiaries: \$ _____

☐ Trust

☐ N/A

Trust type: _____

Settlor: _____

Trustee: _____

Successor Trustee: _____

Beneficiaries: _____

Activities/purpose: _____

☐ Partnership

☐ N/A

Is there a partnership agreement? ☐ No ☐ Yes Date (DD-MM-YYYY): _____

Is there a signed agreement binding the partners? ☐ No ☐ Yes Date (DD-MM-YYYY): _____

C – Shareholder/Partner information

Name:

Title:

Date of birth
(DD-MM-YYYY):

Shareholder/Partner
since (DD-MM-YYYY):

When do you expect
to permanently retire
from the business?

• At what age: _____ years old

• In how many years: _____ year(s)

_____ years old

_____ year(s)

_____ years old

_____ year(s)

_____ years old

_____ year(s)

Smoker: ☐ No ☐ Yes

☐ No ☐ Yes

☐ No ☐ Yes

☐ No ☐ Yes

General state of health:

Would the prolonged
absence of the
shareholder have an
impact on the business?

☐ No

☐ Yes

Amount: \$ _____

☐ No

☐ Yes

Amount: \$ _____

☐ No

☐ Yes

Amount: \$ _____

☐ No

☐ Yes

Amount: \$ _____

Name:

☐ Details of the shareholder/partnership agreement

☐ N/A

At what age do you expect
a share/interest purchase
or redemption:

Is there a purchase/
redemption clause
in the case of:

- Death?

☐ No ☐ Yes

☐ No ☐ Yes

☐ No ☐ Yes

☐ No ☐ Yes
- Disability?

☐ No ☐ Yes

☐ No ☐ Yes

☐ No ☐ Yes

☐ No ☐ Yes
- Critical illness?

☐ No ☐ Yes

☐ No ☐ Yes

☐ No ☐ Yes

☐ No ☐ Yes

☐ Detailed information about interest in the corporation

☐ N/A

☐ Common shares

☐ N/A

Percentage (%):	%	%	%	%
Value:	\$	\$	\$	\$
Adjusted cost basis:	\$	\$	\$	\$
Paid-up capital:	\$	\$	\$	\$

☐ Preferred shares

☐ N/A

Percentage (%):	%	%	%	%
Value:	\$	\$	\$	\$
Adjusted cost basis:	\$	\$	\$	\$
Paid-up capital:	\$	\$	\$	\$
Loan to corporation:	\$	\$	\$	\$
Loan by corporation:	\$	\$	\$	\$

☐ Detailed information about interests in partnership

☐ N/A

% of ownership:	%	%	%	%
Share of profits (%):	%	%	%	%
Current capital (\$):	\$	\$	\$	\$
Average annual withholding:	\$	\$	\$	\$

D – Inforce insurance

Policy owner	Insured	Insurer	Face amount	Insurance premium	Type Life, CL, Dis.	Protection Term/Perm. Ind./Col.	Beneficiary
1.			\$	\$			
2.			\$	\$			
3.			\$	\$			
4.			\$	\$			
5.			\$	\$			
6.			\$	\$			
7.			\$	\$			
8.			\$	\$			
9.			\$	\$			
10.			\$	\$			

E – Notes

F – Insurance objectives and needs (indicate all that apply)

	Life insurance	Critical illness insurance
1. Financing of share/interest purchase or redemption.	<input type="checkbox"/>	<input type="checkbox"/>
2. Security by shareholder/partner to a debtor.	<input type="checkbox"/>	<input type="checkbox"/>
3. Debts and other commitments.	<input type="checkbox"/>	<input type="checkbox"/>
4. Financial impact of a prolonged absence of shareholder/partner/key person.	<input type="checkbox"/>	<input type="checkbox"/>
5. Planned gift (donation).	<input type="checkbox"/>	N/A
6. Other investment strategies.	<input type="checkbox"/>	N/A

G – Financial needs analysis for business owners: Life insurance

Insureds' names:

1. Financing of share/interest purchase or redemption

Value of common shares/interests ¹ :	\$	\$	\$	\$
Estimated projected increase in value (proof required):	+ \$	\$	\$	\$
Value of preferred shares:	+ \$	\$	\$	\$
Total:	= \$	\$	\$	\$ ①

¹ Value obtained from the inforce agreement or estimated by the client. If the estimated value is entered here, it will be used for the analysis.

2. Security by shareholder/partner

Total amount committed:	\$	\$	\$	\$ ②
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3. Debts and other commitments

Payables:	\$	\$	\$	\$
Financial lease:	+ \$	\$	\$	\$
Commercial lease:	+ \$	\$	\$	\$
Penalty for breach of contract:	+ \$	\$	\$	\$
Related party transactions:	+ \$	\$	\$	\$
Loans:	+ \$	\$	\$	\$
	+ \$	\$	\$	\$
	+ \$	\$	\$	\$
	+ \$	\$	\$	\$
Total:	= \$	\$	\$	\$ ③

Insureds' names:

4. Financial impact of a prolonged absence of a shareholder/partner/key person

• Impact on balance sheet

Loss of assets: \$ _____ \$ _____ \$ _____ \$ _____

Additional liabilities: + \$ _____ \$ _____ \$ _____ \$ _____

• Impact on results

Loss of income: + \$ _____ \$ _____ \$ _____ \$ _____

Recruiting costs: + \$ _____ \$ _____ \$ _____ \$ _____

Compensation for replacement: + \$ _____ \$ _____ \$ _____ \$ _____

Training and replacement costs and loss of income: + \$ _____ \$ _____ \$ _____ \$ _____

Additional expenditures: + \$ _____ \$ _____ \$ _____ \$ _____

Additional expenditures: + \$ _____ \$ _____ \$ _____ \$ _____

Total: = \$ _____ \$ _____ \$ _____ \$ _____ ④

5. Planned gift

Planned gift amount: \$ _____ \$ _____ \$ _____ \$ _____ ⑤

6. Other investment strategies (proof required)

Life insurance needed: \$ _____ \$ _____ \$ _____ \$ _____ ⑥

Please specify: _____

7. Total life insurance needed

① + ② + ③ + ④ + ⑤ + ⑥ =

Total: = \$ _____ \$ _____ \$ _____ \$ _____ ⑦

8. Cash and inforce insurance

Cash on hand: \$ _____ \$ _____ \$ _____ \$ _____

Inforce insurance: + \$ _____ \$ _____ \$ _____ \$ _____

Total: = \$ _____ \$ _____ \$ _____ \$ _____ ⑧

9. Estimated amount of additional life insurance needed

⑦ - ⑧ =

Total: = \$ _____ \$ _____ \$ _____ \$ _____ ⑨

H – Financial needs analysis for business owners: Critical illness insurance

Insureds' names:

1. Financing of share/interest purchase or redemption

Value of common shares/interests ¹ :	\$	\$	\$	\$
Estimated projected increase in value (proof required):	+ \$	\$	\$	\$
Value of preferred shares:	+ \$	\$	\$	\$
Total:	= \$	\$	\$	\$ ①

¹ Value obtained from the inforce agreement or estimated by the client. If the estimated value is entered here, it will be used for the analysis.

2. Security by shareholder/partner

Total amount committed:	\$	\$	\$	\$ ②
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3. Debts and other commitments

Payables:	\$	\$	\$	\$
Financial lease:	+ \$	\$	\$	\$
Commercial lease:	+ \$	\$	\$	\$
Penalty for breach of contract:	+ \$	\$	\$	\$
Related party transactions:	+ \$	\$	\$	\$
Loans:	+ \$	\$	\$	\$
	+ \$	\$	\$	\$
	+ \$	\$	\$	\$
	+ \$	\$	\$	\$
Total:	= \$	\$	\$	\$ ③

Insureds' names:

4. Financial impact of a prolonged absence of a shareholder/partner/key person

- Impact on balance sheet

Loss of assets: \$ _____ \$ _____ \$ _____ \$ _____

Additional liabilities: + \$ _____ \$ _____ \$ _____ \$ _____

- Impact on results

Loss of income: + \$ _____ \$ _____ \$ _____ \$ _____

Recruiting costs: + \$ _____ \$ _____ \$ _____ \$ _____

Compensation for replacement: + \$ _____ \$ _____ \$ _____ \$ _____

Training and replacement costs and loss of income: + \$ _____ \$ _____ \$ _____ \$ _____

Additional expenditures: + \$ _____ \$ _____ \$ _____ \$ _____

Additional expenditures: + \$ _____ \$ _____ \$ _____ \$ _____

Total: = \$ _____ \$ _____ \$ _____ \$ _____ ④

5. Total critical illness insurance needed

① + ② + ③ + ④ =

Total: = \$ _____ \$ _____ \$ _____ \$ _____ ⑤

6. Cash and inforce insurance

Cash on hand: \$ _____ \$ _____ \$ _____ \$ _____

Inforce insurance: + \$ _____ \$ _____ \$ _____ \$ _____

Total: = \$ _____ \$ _____ \$ _____ \$ _____ ⑥

7. Estimated amount of additional critical illness insurance needed

⑤ - ⑥ =

Total: = \$ _____ \$ _____ \$ _____ \$ _____ ⑦

I – Recommendation(s)

J – Additional documents provided

- | | | |
|--|--|---|
| <input type="checkbox"/> Partnership/Shareholder agreement | <input type="checkbox"/> Insurance contract | <input type="checkbox"/> Financial statements |
| <input type="checkbox"/> Organization chart | <input type="checkbox"/> Partnership agreement | <input type="checkbox"/> Trust deed of gift |
| <input type="checkbox"/> Other: _____ | <input type="checkbox"/> Other: _____ | <input type="checkbox"/> Other: _____ |

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