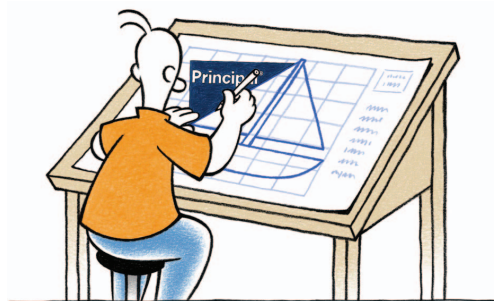


Business Priorities Questionnaire



The Principal offers the resources a business owner needs by providing solutions and support for:

- *Retirement Income*
- *Exit Planning*
- *Wealth Transfer*
- *Business Protection*
- *Survivor Income*
- *Income Protection*



Helping your business get a competitive edge

You work hard running a business and can't afford to spend time searching for ways to maximize benefits for you and your key employees. At The Principal Financial Group® (The Principal®) we understand your time is valuable.

We can help

Working with you and your professional advisors, we can help you reach your business and personal financial goals. We can help you identify business concerns such as owner benefits, business continuation, estate tax liability, debt coverage and retaining key employees. And, we can show you how your priorities compare to other business owners. Thousands of businesses like yours have leaned on The Principal for help in achieving their financial goals.

Starting with a business priorities profile

To get the process started, simply:

- Complete this Business Priorities Questionnaire
- If appropriate, identify specific concerns and set goals
- Schedule a visit with your representative from The Principal to discuss the Business Priorities results

You should review and update your plans annually.

Name of business: _____

Name of owner/president: _____

Address: _____

E-mail: _____

Phone: _____ Fax: _____

Indicate the most appropriate industry class for your client's business: _____

A. Business profile

1. Number of owners: _____
2. Business structure: _____
3. Year business started: _____
4. Number of family members active in the business: _____
5. Number of employees: _____
6. Number of employees you expect to add in the next five years: _____
7. How many key people do you have in your organization?
 None Fewer than 4 4 – 10 More than 10
8. Approximate annual gross sales volume this year
 Less than \$1,000,000 \$1,000,000 – \$2,499,999 \$2,500,000 – \$4,999,999
 \$5,000,000 – \$7,499,999 \$7,500,000 – \$9,999,999 \$10,000,000+
9. What is your annual business growth goal?
 Less than 10% sales increase 10% or more sales increase Not determined

B. Employee and Owner Benefits

1. (a) Do you offer any group employee benefits?
 Yes No Not sure
(b) If yes, what type of group benefit plans do you offer?
 Medical Dental Disability Income
 Life Vision Other _____

C. Retirement Income

1. (a) Does your business have a qualified retirement plan for employees?
 Yes No Not sure
(b) If yes, what type of qualified retirement plan do you offer?
 401(k) SEP Profit Sharing SIMPLE
 Money Purchase TSA/403(b) Defined Benefit Other _____
(c) Are key employees limited in the amount they can contribute into the qualified plan?
 Yes No Not sure
(d) On a scale of 1 (low) to 5 (high) how satisfied are you with the service, features, options and performance of the retirement plan?
 1 2 3 4 5

2. Does your company have programs to attract and retain key employees?

Yes, type _____ No

D. Business Protection

1. Does your business have a plan to protect against the loss of any key employees in the event of death or disability?

Yes No Not sure

2. (a) Does your business have any significant debt?

Yes No Not sure

(b) What percentage of the debt is covered by life insurance on the business owners?

Less than 25% 25% – 49% 50% – 74% 75% or more

E. Exit Planning

1. (a) Do you have a written plan to continue the business in the event of death, disability or retirement of an owner?

(Check all that apply)

Death (Buy-Sell) Disability (Overhead Expense) Disability (Buy-Out) Retirement (Exit Planning)

(b) If you have plans, how are the plans funded?

Accumulation (sinking) fund Cash flow Other _____ Insurance Not determined

2. Have you reviewed your business continuation plan in the last two years?

Yes No Not sure

F. Wealth Transfer

1. (a) Do you have an estate plan?

Yes No Not sure

(b) If yes, has the estate plan been reviewed in the last two years?

Yes No Not sure

(c) Is the estate plan fully funded?

Yes No Not sure

G. Survivor Income

1. Have your personal life insurance plans been reviewed for adequacy within the past two years?

Yes No Not sure

H. Income Protection

1. Do you own personal disability income insurance?

Yes No Not sure

I. Priorities

1. Which of the following business goals apply to your business? (Check all that apply)

Develop the business for family members Sell the business and retire early
 Grow the business Achieve business stability
 Remain active in the business even after normal retirement Other _____

2. Which personal planning issues would you like more information about?

College education funding Personal retirement planning Survivor income (life insurance)
 Income protection (disability insurance) Asset allocation and investments Other _____



WE'LL GIVE YOU AN EDGESM

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Not FDIC insured. May lose value, no bank guarantee. Not a deposit. Not insured by any federal entity.