



FOR LIFE

The Lincoln *LifeComp*® Suite

# Nonqualified benefits questionnaire

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The Lincoln National Life Insurance Company, Fort Wayne, IN  
Lincoln Life & Annuity Company of New York, Syracuse, NY

For \_\_\_\_\_

Prepared by \_\_\_\_\_ Date \_\_\_\_\_

This questionnaire has been designed to assist you in analyzing the possible benefits of creating or making changes to your nonqualified benefits program. Your Lincoln representative can assist you and explain the many features of nonqualified benefits plans.

Before designing a plan, it is important to establish what the employer/business owner wishes to achieve. Determining which benefits are appropriate depends on your particular circumstances. Your affiliate should be included in the design process to ensure the proper plan design is used and the total economic effects, including tax consequences, are fully understood.

## General business information

Business name \_\_\_\_\_ Phone (       ) \_\_\_\_\_

Address \_\_\_\_\_

Contact person \_\_\_\_\_ E-mail \_\_\_\_\_

Type of business \_\_\_\_\_

Business products or services \_\_\_\_\_

### Organization

- Sole proprietorship
- General partnership    Limited liability partnership
- Limited liability company—for tax purposes, it is treated as a: \_\_\_\_\_
- Subchapter C corporation, subject to corporate income tax at a marginal tax rate of \_\_\_\_\_ %
- Subchapter S corporation, treated as a pass-through tax entity
- This business entity is a professional service association or corporation.
- This business entity is required to retain cash or equivalent assets on its balance sheet for bonding purposes.

### Accounting year-end

- Calendar    Fiscal year ending \_\_\_\_/\_\_\_\_/\_\_\_\_

### Accountant

Name \_\_\_\_\_

Address \_\_\_\_\_

Phone (       ) \_\_\_\_\_ E-mail \_\_\_\_\_

### Attorney

Name \_\_\_\_\_

Address \_\_\_\_\_

Phone (       ) \_\_\_\_\_ E-mail \_\_\_\_\_

## Benefits information

	Yes	No	Wish to add or modify	Insurer/details
Group insurance (life, health, dental, disability)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Qualified pension/profit sharing/IRA/SEP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Salary continuation or deferred compensation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Split dollar plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Executive bonus	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Disability income plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

Please include an Executive Census (if available).

### Business owner

Please rank the order of importance of these goals for your nonqualified benefits program, with #1 as the highest priority. Do not use the same number for any two objectives.

\_\_\_\_\_ Provide executives with incentives to stay with the business (golden handcuffs)

\_\_\_\_\_ Allow executives to defer compensation

\_\_\_\_\_ Create an asset owned and controlled by the business

\_\_\_\_\_ Recover the cost of providing the benefit

\_\_\_\_\_ Provide a supplemental income stream subject to income tax when received

\_\_\_\_\_ Provide a supplemental income stream not subject to income tax when received

\_\_\_\_\_ Provide life insurance coverage until retirement—amount of life insurance desired: \$\_\_\_\_\_

\_\_\_\_\_ Provide life insurance coverage until death—amount of life insurance desired: \$\_\_\_\_\_

\_\_\_\_\_ Receive a current income tax deduction

## Benefits participation

- By class or management title \_\_\_\_\_
- By salary level \_\_\_\_\_
- As designated by the board of directors
- Restriction on those within years of retirement
- Directors
- Combination of above \_\_\_\_\_

**Note:** In certain plans, it is important to limit to a "select group of management" or "highly compensated employees." This design is used to avoid unwanted income tax and ERISA consequences. It is important that clients seek competent legal and tax counsel to determine which executives should be included in this plan.

## Contribution/income benefits

### Defined contribution plan (benefits based on amount contributed)

Formula for annual contribution amount:

- \$ \_\_\_\_\_ amount increasing percentage for years: \_\_\_\_\_
- \_\_\_\_\_ % of compensation increasing percentage for years: \_\_\_\_\_
- Other \_\_\_\_\_

### Defined benefit plan (contributions calculated to achieve benefit desired)

Formula for annual benefit amount:

- A flat \_\_\_\_\_ % of compensation
- \_\_\_\_\_ % of annual average salary
- Other

## Exit strategy

At their discretion, the employer may transfer (via salary bonuses) its interest in the policy. When and at what rate this transfer, if any should occur:

- Don't transfer (i.e. full cost recovery)
- Partial transfer (bonusing out a portion of the employer's equity to the employee) \_\_\_\_\_ beginning in year \_\_\_\_\_, leaving \$ \_\_\_\_\_ recovery to the Employer
- Transfer all employer's equity to the employee beginning in year \_\_\_\_\_

## Benefit distributions

At a specified time or schedule \_\_\_\_\_

Normal retirement age of \_\_\_\_\_

The earlier of age \_\_\_\_\_ or age \_\_\_\_\_ with \_\_\_\_\_ years of service

Other specified time or schedule

Payable as:  installments over \_\_\_\_\_ years paid monthly/quarterly/annually/other \_\_\_\_\_

a lump sum

Preretirement death benefit amount:

Employee's death benefit

amount \_\_\_\_\_

equal to proposed retirement income

Employer's key man coverage

Yes — amount \$ \_\_\_\_\_

No

For employee's named beneficiary





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