

Business Needs Analysis (BNA)

Life and Critical Illness



BASIC INFORMATION ABOUT THE BUSINESS

Business Name: _____ Other name: _____
 Address: _____ Registration number (federal/provincial): _____
 _____ Line of business: _____
 _____ Activity type: Operations Management
 Date business was established: _____ Fiscal year end: _____
 Legal structure: Sole-proprietorship Partnership Corporation

PARTNERSHIP

If a partnership, is there a partnership agreement? No Yes Date: _____
 Is there a signed agreement binding the partners? No Yes Date: _____

CORPORATION

Incorporation date: _____
 Corporation type: Public Private SBC (Small Business Corporation)
 Is there a signed shareholder agreement? No Yes Date: _____
 Has it been amended? No Yes Date: _____
 Authorized persons: _____
 No. of employees: _____ Estimated value of the business: \$ _____
 Future development plans: Growing _____ % annually Stable Downsizing
 Future projects: _____

KEY PERSON NO. 1

Name: _____
 Date of birth: _____
 Salary: \$ _____
 Smoker/Non-smoker: _____
 Position: _____

KEY PERSON NO. 2

\$ _____



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PARTNER INFORMATION (PARTNERSHIP)

	Partner No. 1	Partner No. 2	Partner No. 3
Partner name:	_____	_____	_____
Date of birth:	_____	_____	_____
Smoker/Non-smoker:	_____	_____	_____
Share of profits (%):	_____	_____	_____
Current capital (\$):	_____	_____	_____
Average annual withholding:	_____	_____	_____

SHAREHOLDER INFORMATION (CORPORATION)

	Shareholder No. 1	Shareholder No. 2	Shareholder No. 3
Shareholder name:	_____	_____	_____
Date of birth:	_____	_____	_____
Smoker/Non-smoker:	_____	_____	_____
Health condition:	_____	_____	_____
Incorporation date:	_____	_____	_____
At what age or in how many years do you expect to permanently retire from the business (in 10 years, 20 years; at age 65 or 75, please specify):	_____	_____	_____

If there is a signed shareholder agreement:

At what age do you expect a purchase/redemption of shares?	_____	_____	_____
Is there a purchase/redemption clause in case of:			
• Death (Y/N)?	_____	_____	_____
• Long-term disability (Y/N)?	_____	_____	_____
• Critical illness (Y/N)?	_____	_____	_____

COMMON SHARES

%:	_____	_____	_____
Value:	_____	_____	_____
Adjusted cost base:	_____	_____	_____
Paid-up capital:	_____	_____	_____

PREFERRED SHARES

%:	_____	_____	_____
Value:	_____	_____	_____
Adjusted cost base:	_____	_____	_____
Paid-up capital:	_____	_____	_____

LOANS

Due to the shareholder:	_____	_____	_____
Due to the corporation:	_____	_____	_____
Date of last capital reorganization:	_____	Reason: _____	_____

Value of any subsidiaries included in the FMV? No Yes Subsidiary FMV: _____

Net profit before taxes (last 3 years):

\$	\$	\$
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Year(s): _____

Expected impact of long-term absence of insured person: _____

INSURANCE IN FORCE

Policyowner	Insured	Insurance company	Face amount	Type (Life, CI, DI)	Protection (term/perm)	Beneficiary
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

SUPPLEMENTARY DOCUMENTATION SUBMITTED

Partnership/shareholder agreement: Insurance policy: Financial statements: Other: _____
 Other: _____ _____ _____ _____

PURPOSE OF INSURANCE - OBJECTIVES AND NEEDS (CHECK IF APPLICABLE):

	INSURANCE	
	Life	CI
1. Financing of share/interest purchase or redemption	<input type="checkbox"/>	<input type="checkbox"/>
2. Security by the shareholder to a debtor	<input type="checkbox"/>	<input type="checkbox"/>
3. Other commitments: financial lease, guarantee, non-compete agreement, patent, breach of contract, lease, etc.	<input type="checkbox"/>	<input type="checkbox"/>
4. Economic loss coverage during the absence of a key person	<input type="checkbox"/>	N/A
5. Planned gift	<input type="checkbox"/>	N/A
6. Additional investment	<input type="checkbox"/>	N/A
7. Economic impact related to the absence of shareholder/partner/key person	N/A	<input type="checkbox"/>
8. Short-term continuation of income and support for care of shareholder/partner/key person	N/A	<input type="checkbox"/>

OTHER RELEVANT INFORMATION (SUCCESSION PLAN, ETC.)

To the best of my knowledge, the above information is accurate and consistent with my situation.

In witness whereof I have signed in (place): _____

X _____
 Client's signature (optional)

 Date

I hereby undertake to keep confidential the contents of this document, which cannot be disclosed without the express consent of the client.

X _____
 Financial Advisor's signature

Business Needs Analysis – Life Insurance

Policyholder: _____

Insured: _____

1 – FINANCING OF SHARE/INTEREST PURCHASE OR REDEMPTION

Value of shares for the purpose of purchase or buyback (see Note 1): + \$ _____
Estimated projected increase in value after 5 years: + \$ _____
Value of preferred shares: + \$ _____
OR If you are not bound by a shareholder agreement,
at what price would you be willing to sell your shares? (see Note 2): OR \$ _____
Amount required: \$ _____ ①

Note 1: As specified in the agreement (if applicable) or confirmed in writing by the company auditor
Note 2: Any amount entered here will be used for the analysis, regardless of what was entered in the previous lines

2 – SECURITY BY THE SHAREHOLDER TO A DEBTOR

Amount committed: \$ _____ ②

3 – OTHER COMMITMENTS (financial lease, guarantee, non-compete agreement, patent, breach of contract, lease, etc.)

Financial lease: + \$ _____
Commercial lease: + \$ _____
Breach of contract: + \$ _____
Related party transaction: + \$ _____
Other: _____ + \$ _____
Total commitments: \$ _____ ③

4 – ECONOMIC LOSS COVERAGE DURING THE ABSENCE OF A KEY PERSON

Additional costs related to replacement: + \$ _____
Estimated loss of future income: + \$ _____
\$ _____ ④

5 – PLANNED GIFT

Amount of the gift planned by the company at your death: \$ _____ ⑤

Calculating life insurance need:

Estimated total life insurance needed: (① + ② + ③ + ④ + ⑤) \$ _____ A

Less

Cash on hand: + \$ _____

Business life insurance in force: + \$ _____

- \$ _____ B

Estimated additional life insurance amount: (A - B) \$

6 – ADDITIONAL INVESTMENT

A) Accumulation

Investment horizon (in years): _____

Target accumulated amount (at year end): \$ _____

Projected rate of return (Max = inflation rate + 3%): % _____

Annual payment at beginning of period: \$ _____

B) Transfer of funds or investments (for estimated life insurance needs): \$ _____

C) Additional accumulation (in addition to defined insurance need): \$ _____

Amount of additional life insurance needed to reach this objective: \$

Business Needs Analysis – Critical Illness Insurance

Policyholder: _____

Insured: _____

1 – FINANCING OF SHARE/INTEREST PURCHASE OR REDEMPTION

Value of shares for the purpose of purchase or redemption (see Note 1): + \$ _____

Estimated projected increase in value after 5 years: + \$ _____

Value of preferred shares: + \$ _____

OR If you are not bound by a shareholder agreement, at what price would you be willing to sell your shares? (see Note 2): OR \$ _____

Amount required: \$ _____ **1**

Note 1: As specified in the agreement (if applicable) or confirmed in writing by the company auditor
 Note 2: Any amount entered here will be used for the analysis, regardless of what was entered in the previous lines

2 – SECURITY BY THE SHAREHOLDER TO A DEBTOR

Amount committed: \$ _____ **2**

3 – OTHER COMMITMENTS (financial lease, guarantee, non-compete agreement, patent, breach of contract, lease, etc.)

Financial lease: + \$ _____

Loan reimbursement (if necessary): + \$ _____

Commercial lease: + \$ _____

Breach of contract: + \$ _____

Other: + \$ _____

Total commitments: \$ _____ **3**

7 – ECONOMIC IMPACT RELATED TO THE ABSENCE OF SHAREHOLDER/PARTNER/KEY PERSON

Impact on the balance sheet

Loss of assets (intangible assets, permanent interests reduced): + \$ _____

Additional liabilities: + \$ _____

Total impact on the balance sheet: \$ _____

Impact on income statement

Reduced income: \$ _____

Additional expenditures:

Recruiting costs: + \$ _____

Compensation of replacement: + \$ _____

Training costs and loss of income: + \$ _____

Other: + \$ _____

Total additional expenditures: \$ _____

Total economic impact: \$ _____ **7**

8 – SHORT-TERM CONTINUATION OF INCOME AND SUPPORT FOR CARE OF SHAREHOLDER/PARTNER/KEY PERSON

Compensation for loss of income: + \$ _____

Compensation for care and/or treatment: + \$ _____

Office accessibility and retrofitting costs, if returning to work: + \$ _____

\$ _____ **8**

Estimated total critical illness insurance amount: (1 + 2 + 3 + 7 + 8) \$ **A**

Less

Cash on hand: + \$ _____

Critical illness insurance in force: + \$ _____

\$ _____ **B**

Estimated additional critical illness insurance amount: (A – B) \$

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IN HEALTH!

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