

Business Owners and Executives

Don't Forget Personal Planning, Too

As a busy executive or business owner, you are, more than likely, in a personal financial and estate planning position that may be considerably different from other individuals. You probably have a compensation package containing a variety of benefits, of which many may not be portable. And, some may be burdened with restrictions on present enjoyment, while others may become available only upon retirement or death.

Because of personal or tax considerations, much of your estate may be tied up in the stock of your company. As a result, you may have liquidity problems and, without adequate **life insurance**, your estate may have similar problems as well. In addition, with marginal tax rates creeping up over the years, it may be important for you to look for fringe benefits that will enable you to live better and enjoy more with lower tax cost to yourself and to your company.

As a business owner or executive, you may have devoted yourself entirely to your business or career. As a result, it's likely that your company provides most of your benefits and will continue to do so in the future. A busy work schedule may mean you need to rely on outside financial professionals to help you plan long-term financial goals and provide for your family in the event of death or disability.

In addition, there are always business and social pressures that may require you to spend more money. There may be children who need educating, often in private schools, long before applications are made to expensive colleges and universities. Or, you may already have a child in college or graduate school.

Other concerns may arise if you are a highly mobile executive. Residing in different states or countries over the course of a successful career may lead to a varying degree of rights and liabilities in different jurisdictions. Thus, such issues will frequently need to be examined.

All of these, and other factors as well, tend to create a greater need for personal financial and estate planning on the part of corporate executives and business owners. Concern for a *total* financial strategy should include developing financial diversification, liquidity, and ensuring the future needs of your family.

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