



Nationwide®
is on your side

Land As Your Legacy

Planning guide

Prepare today for a lasting legacy

Your step-by-step guide to transition planning



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Appendix

Welcome to the **Land As Your Legacy[®]** Program

This program was uniquely developed to help families leverage what is often one of their largest assets — the farm or ranch they own or operate.

As you'll see throughout this guide, we've developed a process to help families think through the critical decisions that need to be made in times of transition.

We hope you find this program helpful for your family — and thank you for allowing us to work with you.

This guide belongs to:

NATIONWIDE'S LAND AS YOUR LEGACY® PROGRAM

Land As Your Legacy is an agricultural succession planning and thought-leadership program developed by Nationwide Life Insurance Company ("Nationwide"). The program focuses on helping agribusiness owners contemplate a transition plan for their land, their business assets and their intended successors.

Nationwide created the Land As Your Legacy program and markets it through third-party firms that may include registered broker-dealers and/or investment advisors, and life insurance agencies and agents. Nationwide also provides, underwrites and issues insurance and financial products that may be purchased by you through those firms for a number of personal financial reasons, including but not limited to use as funding vehicles to support an agribusiness transition plan. Nationwide receives compensation only in the event of the sale of Nationwide insurance and financial products, and does not receive any other compensation related to the Land As Your Legacy program.

To aid in the marketing of the program, Nationwide may utilize software and other tools to provide you with a "Financial Needs Analysis," which is designed to capture and illustrate your individual or family's financial needs as a current snapshot. The Financial Needs Analysis is not a financial plan, and it does not attempt to suggest solutions or planning options to you. Nationwide is not a registered broker-dealer or investment advisor, and thus does not and will not offer financial planning or investment advice to you related to the program as marketed through firms.

Firms and the insurance agents and/or financial representatives associated with firms may offer varying types of services to you, either solely or in conjunction with other professionals such as accountants and estate planning and/or tax attorneys as chosen by you. The services offered by the firms and their associates or employees will vary depending on whether the firm is registered as a broker-dealer, and/or investment advisor, and whether the firm is licensed as an insurance agency. Thus, the services offered to you by firms may include, but not be limited to, insurance sales and services, recommendations of securities, investment advice, succession and estate planning and/or financial planning. In providing such services, firms may choose to use the Financial Needs Analysis in order to begin discussions with you on the nature of your financial needs and their planning interests.

Only your chosen firm and its representatives or agents, collaborating with your own professional accountants and/or attorneys, can provide financial planning or other services. You are urged to ensure that your chosen tax, legal and financial professionals are all involved in assisting you with building a succession or other plan you desire to achieve your goals.



90 years **strong**

Nationwide, a company founded by and for farmers, understands the importance of transition planning which is why we’ve built a step-by-step program to help you get started – and guide you through the entire process.

The five elements of transition planning

Where are you in the planning process?

Succession planning

The successful transition of the business to the next generation

☐ Not started

☐ Started Date:

☐ Completed Date:

☐ Reviewed Date:

Business planning

Profitability now and in the future

☐ Not started

☐ Started Date:

☐ Completed Date:

☐ Reviewed Date:

Risk management

Ensuring money and structuring responsibility

☐ Not started

☐ Started Date:

☐ Completed Date:

☐ Reviewed Date:

Financial independence planning

Ensuring the availability of financial resources for education, retirement and diversification

☐ Not started

☐ Started Date:

☐ Completed Date:

☐ Reviewed Date:

Estate planning

The orderly distribution of assets upon death and the payment of any liabilities due at that time in a manner consistent with the deceased's desires

☐ Not started

☐ Started Date:

☐ Completed Date:

☐ Reviewed Date:

Notes:

Transition planning steps

The first and second steps — identifying your goals and data gathering — are crucial to developing the foundation for a successful farming and ranching transition plan that will accomplish your goals. The time you spend on those two steps will determine your starting point and the destination of your plan.

Once you know those two things, you can analyze your options, select those that are best and implement them so that you may accomplish your goals. Since no plan is perfect and because things change, you will need to review and update your plan as needed.



Identify and prioritize your goals

This page may be duplicated for other family members (husband, wife, children) to complete.

Where do you want to go?

The checklist below can help you define and prioritize your goals and objectives. Check only the ones that are most important to you and add any that are not listed. Then rank those that you have checked in order of importance with 1 being the most important and 10 being least important. (While it is possible to have more than one # 1, please work at prioritizing your goals.)

This should reflect your specific individual, family and business goals. This will help define the analysis, recommendations and ultimately what you implement.

Check the 3 to 5 that you feel are the most important and rank those you check. Add additional comments or remarks as necessary.

	Rank	Goal
<input type="radio"/>		Successful transition of farm/ranch
<input type="radio"/>		Protect my farm/ranch from divorce, creditors or family disputes
<input type="radio"/>		Expand farming/ranching business
<input type="radio"/>		Train someone to take over the farm/ranch
<input type="radio"/>		Reduce income taxes
<input type="radio"/>		Reduce estate and inheritance taxes
<input type="radio"/>		Minimize estate settlement costs, publicity and time in the handling of my estate
<input type="radio"/>		Provide for spouse/dependents in event of death, disability or long-term care
<input type="radio"/>		Appoint guardians or trustees for minor or special needs children
<input type="radio"/>		Select executor/trustee for my estate
<input type="radio"/>		Make gifts to family or others

	Rank	Goal
<input type="radio"/>		Provide for the health and long-term care of:
<input type="radio"/>		Successfully invest and manage the taxation and use of a "windfall"
<input type="radio"/>		Take care of aging parents
<input type="radio"/>		Provide for a favorite charity or church
<input type="radio"/>		Pay off debt
<input type="radio"/>		Provide for the education of a family member
<input type="radio"/>		Accumulate money for:
<input type="radio"/>		Retire at age:
<input type="radio"/>		Set-up an executive benefits program for myself or key persons
<input type="radio"/>		Reduce risks or increase returns of investments
<input type="radio"/>		Other:

Additional information or explanation:

Planning documents

Below is a partial list of documents that you may already have or that may be recommended as part of the planning process. It is important to review and understand the documents that you have executed. They indicate your rights, your obligations, your ownership interest and the value of what you own.

This can be used as a checklist of documents that you have and that you have reviewed.

Personal

☐ Deeds and land contracts

☐ Leases and easements:
real estate, mineral rights, oil and gas leases

☐ Mortgages or loans payable to you

☐ Bank statements

☐ Brokerage statements

☐ Mutual fund statements

☐ Education funding – Coverdell Education Savings
Accounts, 529s and Uniform Gifts/Transfers to Minors Act
(UGMA/UTMA) accounts

Annuity

☐ Statements

☐ Contracts

☐ Contract changes

☐ Social Security benefit statement

Retirement plans

☐ Traditional IRAs, Roth IRAs, SEP statements

☐ Qualified retirement plan statements

Life insurance

☐ Statements

☐ Policies

☐ Contract changes

☐ In-force illustrations

Other insurance policies

☐ Disability

☐ Long-term care

☐ Medical/health

☐ Other:

Personal liabilities

☐ Credit card statements

☐ Mortgage and second mortgage

☐ Loan documents

☐ Other:

Employment

☐ Payroll, W2s or other income statements

☐ Pension plan statement

☐ Employee benefits statement or booklet

☐ Other:

☐ Retirement savings plan statement

☐ Other:

Tax

☐ Individual Income tax returns

☐ Federal estate tax return (Form 706)

☐ Business Income tax returns

☐ State inheritance or estate tax returns

☐ Federal gift tax return (Form 709)

☐ Other:

Business

☐ Documents establishing the business entity

☐ Stock/option/bonus plan

☐ Corporate resolutions, by-laws, minutes

☐ Valuations or appraisals

☐ Operating agreements

☐ Lease agreements

☐ Buy-sell agreements

☐ Loan agreements and statements

☐ Deferred compensation agreements

☐ Other:

Estate

☐ Powers of attorney — limited, general, durable

☐ Conservation easement/conservation trust

☐ Living wills

☐ Grantor retained annuity trust

☐ Health care directives/powers of attorney
for health care

☐ Charitable remainder annuity trust

☐ Wills

☐ Charitable lead annuity trust

☐ Revocable living trust

☐ Other:

☐ Irrevocable trust

☐ Other:

Other: Any other documentation that indicates ownership, obligations, rights or valuation:



We understand ranchers and farmers

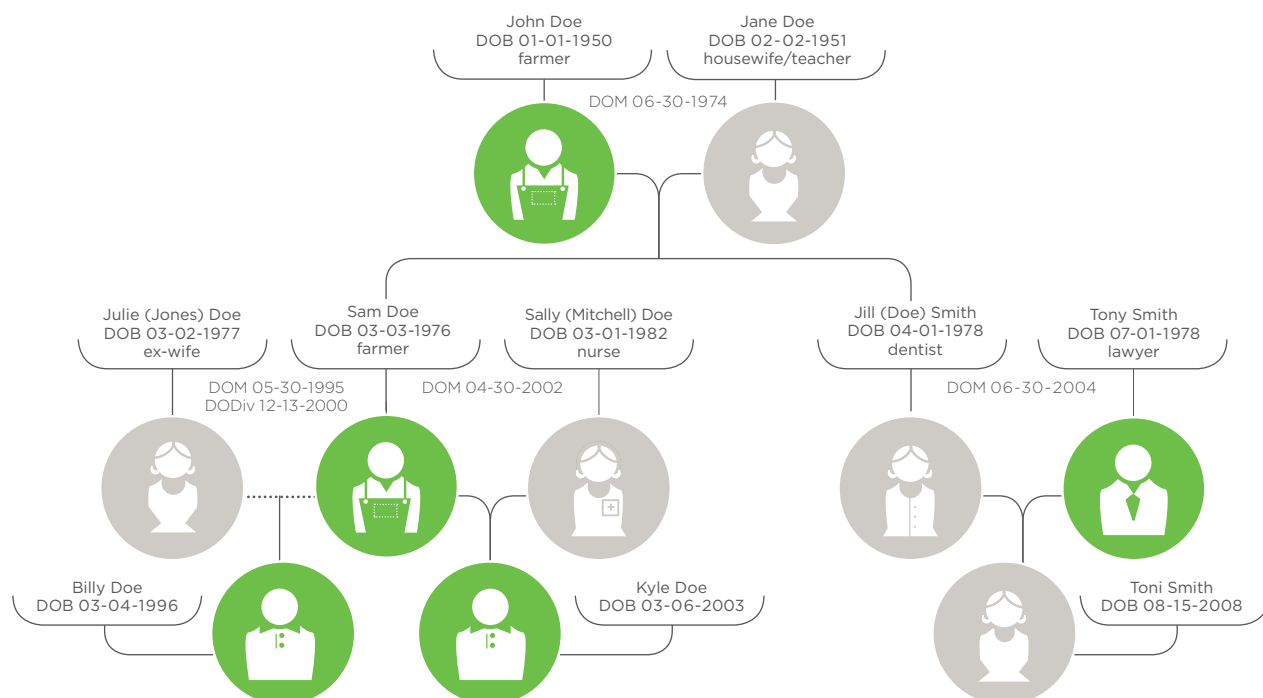
And as the #1 farm insurer in the United States, Nationwide has worked with thousands of farm and ranch families.

Your information

Legal first name	Last name	Middle name
Nickname	Place of birth	Date of birth
Sex: <input type="radio"/> Male <input type="radio"/> Female	Citizenship: <input type="radio"/> U.S. citizen <input type="radio"/> Resident alien <input type="radio"/> Nonresident alien	
Resident address:	Length of time at current residence _____ years	
Street Address	City	State ZIP
Email		Home phone
Mobile phone	Office phone	Fax
Occupation	Role/position	Employer
Employer's address and contact information		
Marital status: <input type="radio"/> Single <input type="radio"/> Married <input type="radio"/> Widowed <input type="radio"/> Domestic partner		
Other relevant information		
Spouse or significant other:		
Legal first name	Last name	Middle name
Nickname	Place of birth	Date of birth
Sex: <input type="radio"/> Male <input type="radio"/> Female	Citizenship: <input type="radio"/> U.S. citizen <input type="radio"/> Resident alien <input type="radio"/> Nonresident alien	
Resident address:	Length of time at current residence _____ years	
Street address	City	State ZIP
Email		Home phone
Mobile phone	Office phone	Fax
Occupation	Role/position	Employer
Employer's address and contact information		
	or length of time in relationship _____ years	
Date of marriage		
Other relevant information		

Family

Following the example below, please provide a family tree on the following page using legal names, birthdates, spouses, business relationships, etc. Use page on right to diagram your family. Include information on parents if surviving and siblings if relevant.



Legend

DOB	Date of birth	DOM	Date of marriage	DBA	Doing business as
DOD	Date of death	DODiv	Date of divorce	DOO	Date of operation (for business)

Notes

[illegible]

Diagram of family relationships

Please use example on left to create your family tree; provide same information as in example.

Your family's information

Surviving parents

	Full legal name	Birth date	Address
1.			
2.			
3.			
4.			
5.			

Children

Please note if a child is a stepchild or from a previous marriage. Also include spouses of children if applicable.

	Full legal name	Birth date	Working on/off farm
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

Grandchildren

Please note if a grandchild is a stepchild or from a previous marriage. Also include spouses of grandchildren if applicable.

	Full legal name	Birth date	Address
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			

Other family

List any other family members that are relevant to your personal or business planning.

	Full legal name	Birth date	Address
1.			
	Relationship to you or business:		
2.			
	Relationship to you or business:		

Important family questions

(to be answered by both husband and wife)

Please check "Yes" or "No" for your answer, and explain below.	Yes	No
1. Have you and your spouse ever signed a pre- or post-marriage contract?	<input type="radio"/>	<input type="radio"/>
2. Have you or your spouse been widowed?	<input type="radio"/>	<input type="radio"/>
3. Do any of your children receive governmental support or benefits?	<input type="radio"/>	<input type="radio"/>
4. Do you have adopted children?	<input type="radio"/>	<input type="radio"/>
5. Are you receiving Social Security, disability or other governmental benefits?	<input type="radio"/>	<input type="radio"/>
6. Do you have a child with a learning disability?	<input type="radio"/>	<input type="radio"/>
7. Do any of your children have special educational, medical or physical needs?	<input type="radio"/>	<input type="radio"/>
8. Are any of your children institutionalized?	<input type="radio"/>	<input type="radio"/>
9. Do you provide or receive child support?	<input type="radio"/>	<input type="radio"/>
10. Do you provide financial support to adult children?	<input type="radio"/>	<input type="radio"/>
11. Are you supporting or caring for a parent?	<input type="radio"/>	<input type="radio"/>
12. Are you making payments pursuant to a divorce or property settlement agreement?	<input type="radio"/>	<input type="radio"/>
13. Have you ever filed for bankruptcy?	<input type="radio"/>	<input type="radio"/>
14. Are you under a doctor's care?	<input type="radio"/>	<input type="radio"/>
15. Have you been hospitalized or treated for an accident or illness in the last five years?	<input type="radio"/>	<input type="radio"/>
16. Do you travel outside the U.S.?	<input type="radio"/>	<input type="radio"/>
17. Do you make regular gifts to a church or charity?	<input type="radio"/>	<input type="radio"/>
18. Have you ever served in the military?	<input type="radio"/>	<input type="radio"/>
19. Do you have siblings?	<input type="radio"/>	<input type="radio"/>
20. Are you involved in any business arrangement with family?	<input type="radio"/>	<input type="radio"/>
21. Any other family issues or concerns not previously addressed?	<input type="radio"/>	<input type="radio"/>
22. In what states have you lived while married to your spouse?		
23. During what periods of time did you reside there?		

Please explain ALL YES ANSWERS making reference to the specific question number:

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There is no text or other markings on the paper.



Let the farm speak

Let the farm speak

Farming and family are **intertwined**

That’s why your transition plan depends on everything — from your farm operation to your family — working hand in hand toward a seamless transition from one generation to the next.

Let the farm speak

Introduction

A key principle for guiding a successful farm transition plan is to allow the farm to speak as to its needs. In this exercise, you will be asked to represent the best interest of the farm and let it have its say as to management, ownership and income (economic soundness after transition occurs).

Management: (People first, people foremost, people always)

1. Presently, who should be the person or persons in charge of the farm or ranch if something were to happen to you tomorrow? (Who should it transition to?)

2. After transition, what role will each person need to fulfill?

Name:

Role:

Strengths:

Concerns and/or areas needing improvement:

Name:

Role:

Strengths:

Concerns and/or areas needing improvement:

Name:

Role:

Strengths:

Concerns and/or areas needing improvement:

3. Any other concerns relevant to the management of the farm or ranch that need to be dealt with?

Let the farm speak

Ownership

Remember, scale matters, and fractionalized ownership, especially with nonactive heirs, is not usually desirable. What is the farm saying as to how it should be owned so that the land and operation are physically and financially optimal AFTER the transition occurs?

1. Who should own the farm or ranch after transition occurs?

2. How should they own it?

3. How much should each own?

4. Other ownership issues or concerns?

Let the farm speak

Economic soundness: income

Is the farm or ranch operation financially able to support the current farm operator(s), and will it be able to financially support the next generation of farm or ranch operator(s) after the transition occurs?

1. Does the farm or ranch adequately support the current farm operator(s)?

☐ Yes ☐ No

2. Who will the farm need to support AFTER the transition occurs?

3. Will the farm be able to support the next generation of farm operators?

☐ Yes ☐ No

4. Are there any other issues concerning the division of income and financial viability, and if so, what are they?

Notes: (comments, ideas, additional important information that the farm is saying to you)

[illegible]



“Once we saw the Land As Your Legacy program, we both talked about it and said, ‘That’s what we need to do — we need to do this to preserve the farm so that our grandkids have something to inherit when we’re gone.’”

Tonya
Land As Your Legacy farmer since 2015

What are you currently doing for your business?

Current business planning

If an answer is not applicable, check the "No" box.

	Yes	No
1. Have you established a business entity?	<input type="radio"/>	<input type="radio"/>
(If yes, check all that apply)		
<input type="radio"/> Sole proprietorship <input type="radio"/> General partnership <input type="radio"/> Limited partnership <input type="radio"/> S corporation <input type="radio"/> Joint venture <input type="radio"/> Other: _____	<input type="radio"/> Limited liability company taxed as _____	
2. Have you established long-term leases?	<input type="radio"/>	<input type="radio"/>
3. Do you have a buy-sell agreement?	<input type="radio"/>	<input type="radio"/>
If you have a buy-sell agreement, is it funded?	<input type="radio"/>	<input type="radio"/>
4. Do you have a deferred compensation agreement?	<input type="radio"/>	<input type="radio"/>
5. Do you have a salary continuation agreement?	<input type="radio"/>	<input type="radio"/>
6. Do you have a stock/option/bonus plan?	<input type="radio"/>	<input type="radio"/>
7. Do you have key-person insurance?	<input type="radio"/>	<input type="radio"/>
8. Do you have a split-dollar agreement?	<input type="radio"/>	<input type="radio"/>
9. Is a 162 bonus plan being used?	<input type="radio"/>	<input type="radio"/>
10. Are you making regular annual gifts?	<input type="radio"/>	<input type="radio"/>
11. Have you made gifts greater than the annual gift tax exclusion?	<input type="radio"/>	<input type="radio"/>
12. Have you filed a gift tax return with the federal government or state?	<input type="radio"/>	<input type="radio"/>
13. Are all your working and ownership arrangements written down?	<input type="radio"/>	<input type="radio"/>
14. Are you participating in any Farm Services Agency programs?	Type _____ <input type="radio"/>	<input type="radio"/>
15. Are you participating in any government insurance programs?	Type _____ <input type="radio"/>	<input type="radio"/>
16. What is the fair market value of your business?	\$ _____ <input type="radio"/>	<input type="radio"/>
17. Have you placed any property in a conservation trust or similar program?	<input type="radio"/>	<input type="radio"/>
18. Do you have a current mentorship or training program in place?	<input type="radio"/>	<input type="radio"/>
19. Do you have written employment agreements and regular job reviews?	<input type="radio"/>	<input type="radio"/>
20. Do you have a written business plan?	<input type="radio"/>	<input type="radio"/>
21. Do you conduct regular business meetings?	<input type="radio"/>	<input type="radio"/>
22. Are your meeting minutes or your corporate minute book up-to-date?	<input type="radio"/>	<input type="radio"/>
23. Will your current commercial loans be transitioned in case of permanent disability or death?	<input type="radio"/>	<input type="radio"/>
24. Have you established any other business planning documents or strategies?	<input type="radio"/>	<input type="radio"/>

If so, provide additional information:

The value of your business

For effective planning, it is important to have an accurate idea of the value of the business and its available assets. If you have had a formal valuation of your business, please enter that information here:

Business value: \$ _____ Date of valuation _____

Estimate of business value

Please fill in the requested information below if you do not have a current business valuation and would like us to create an informal business valuation.

Taxation and form of business: If LLC, check here ☐ and please also check form of taxation.

☐ C corporation ☐ S corporation ☐ Partnership ☐ Sole proprietorship

Near-term annual growth rate assumed 10% unless otherwise indicated _____ %

Business assets

Cash	\$ _____
Receivables	\$ _____
Equipment	\$ _____
Real estate (fair market value)	\$ _____
Other	\$ _____
Total assets	\$ _____

Business debt

Short- and long-term	\$ _____
Other	\$ _____
Total debt	\$ _____
<hr/>	
Net book value (assets minus debts)	\$ _____
Average taxable income for the last three years*	\$ _____

***Sole proprietorship:** Form 1040, Sched. C, Line 31. **C corp:** Form 1120, Line 31. **S corp:** Form 1120S, Line 22; adjusted for Form 1120S, Sched. K, Items 2-12d. **Partnership:** Form 1065, Line 22; adjusted for Form 1065, Sched. K, Items 2-13d

Goodwill of farm operation

Goodwill of business assumed to last 5 years after change of ownership unless otherwise indicated _____ years

Plans for business succession

What do you want the ownership to be in _____ years? _____

Who/how will your operation be managed in _____ years? _____

How much annual cash flow would you be able to budget toward a succession plan? \$ _____

Is there an existing buy/sell agreement? ☐ Yes ☐ No

If yes, what type?

☐ Cross purchase

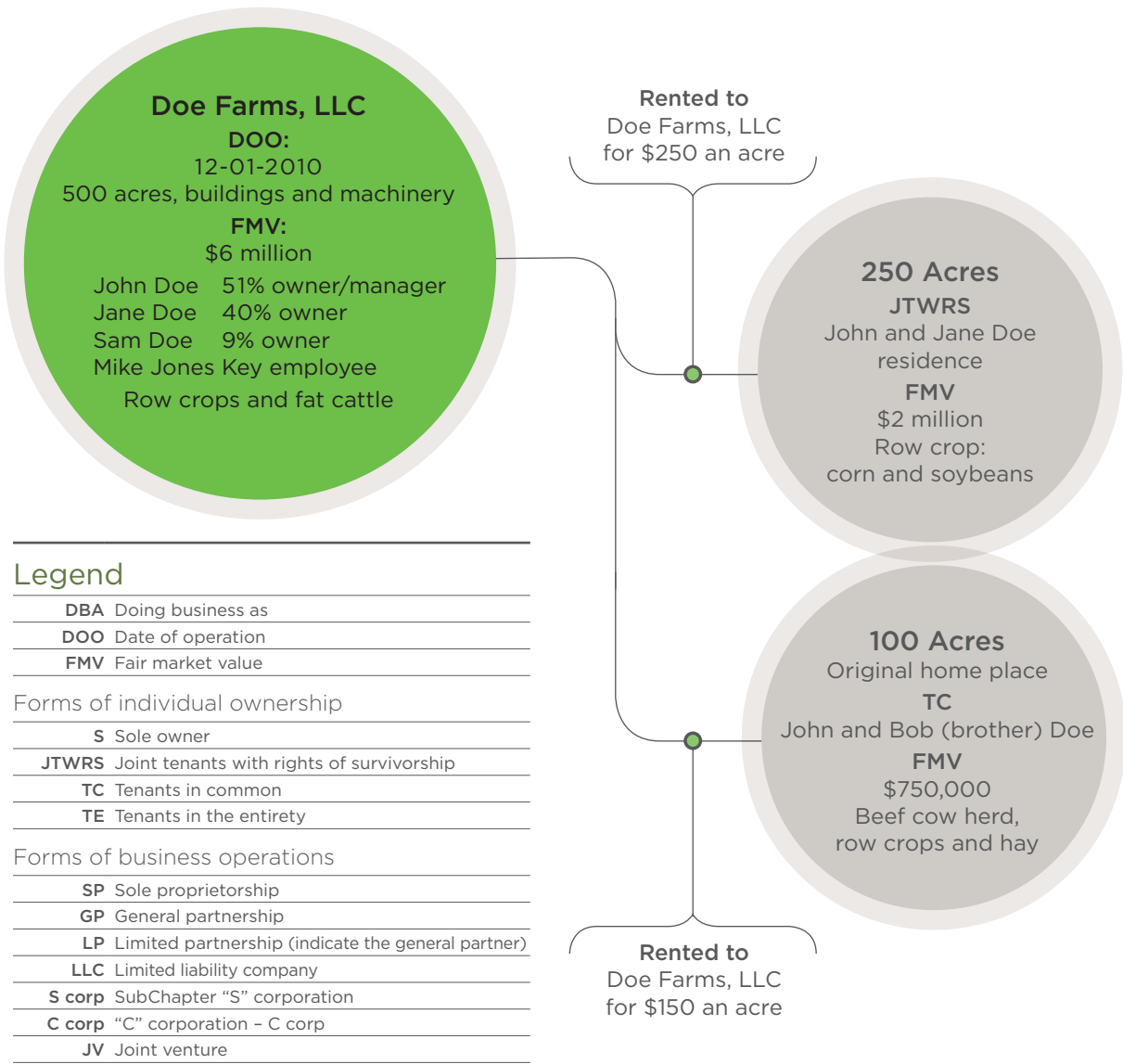
☐ Entity

☐ Other _____

How was it funded?

Diagram of business

Example: The Doe family farming operation



Important information to know about your business:

Your business diagram

Please use example on left to create your current business diagram

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We know — because **we farm, too**

Experience has taught us that a proactive safety environment on your farm will save headaches — and perhaps even lives — and will ultimately make a difference to your bottom line.

Identifying and managing your operational risk

Businesses are subject to risk — especially in the agricultural industry. Everything from the weather and insects, to global markets and politics can drastically impact your farm or ranch operation. You may not be able to avoid these risks, but you can identify potential issues now so you're not caught off guard later.

In addition to the financial and legal risk discussed in other sections of this work book, below is a partial list, which can be viewed as a checklist, of risks that can affect your farm or ranch operation.

Check all that apply to your operation.

Buildings and structures

- ☐ All building poles and beams are sound.
- ☐ The roofs of all buildings are in good shape.
- ☐ All barn doors are structurally sound.
- ☐ All building foundations are sound and stable.
- ☐ All stairs have hand rails.
- ☐ Ladder openings and hay chutes are protected with cages or railings.
- ☐ "Head-bumpers" such as low ceilings, beams, low doors, or passageways are marked with warning signs, florescent material, or streamers.
- ☐ Buckets, tools, and other materials are hung where they can't accidentally strike heads.
- ☐ Doors and gates to hazardous areas are kept closed and secured.
- ☐ Outside ramps and steps are protected from rain or spilled water that could freeze.
- ☐ Confined entry procedures are enforced for workers entering silos.
- ☐ A disaster plan is document and updated. Everyone is prepared in the event of a catastrophic fire or wind storm. Everyone is aware of the plan and their role in it.
- ☐ Backup generators are tested on a regular basis.
- ☐ First aid kits are provided in each building, and emergency numbers are posted.

Machinery and farm

- ☐ All slow-moving equipment is inspected before taking it on public roadways.
- ☐ All equipment that moves on public roadways properly displays SMV (Slow Moving Vehicle) emblems.
- ☐ Roll Over Protective Structures (ROPS) are installed on all tractors.
- ☐ Sturdy hitches or safety chains are used on public roads.
- ☐ Escort vehicles are used in front and behind when transporting oversized loads such as combines, harvesters, tractors, etc.
- ☐ Portable grain augers are secured when not in use to prevent damage in a windstorm.
- ☐ Workers use proper personal protection to prevent injuries to eyes and hearing.
- ☐ All guards, curtains, and safety mechanisms are intact and in working order.
- ☐ The power is turned off before adjusting, unclogging, or servicing a power-driven machine.

Notes

Electrical

- Farm buildings are adequately grounded in the event of a lightning strike.
- Electrical boxes and all electrical wiring have been installed by a licensed contractor, and electrical boxes and wires are properly maintained and grounded.
- Wiring in areas where animal have access to periodically checked to make sure your animals do not come in contact with electrical components.
- All outlet covers are in place.
- All electrical panel covers in place on circuit breaker boxes, junction boxes, and control panels to prevent dust accumulation and exposure to weather.
- Exterior light or outlet fixtures are designed for outside environments.
- All workers have been trained in the location of the electrical main, gas and water valves, and release valves for hot water heaters, training documented.
- Electrical connections are only used in dry areas.
- Standby generators are regularly tested.
- Alarm systems are regularly tested.

Heating

- Ceiling heaters mounted with chains have a flex supply line.
- A heating unit other than a wood-burning stove is used in your shop or garage.
- If you use a wood-burning stove, proper clearances are followed to ensure a safe environment.
- The chimney extends three feet above any roof surface to help prevent the possibility of fire from hot embers.
- Farm buildings are adequately grounded in the event of a lightning strike.

Animal facilities

- Manure lagoons are fenced and posted with warning signs and have sturdy gates blocking or covering access points to prevent children or animals from falling in.
- Manure pots or tanks are thoroughly ventilated before anyone enters to do maintenance work.
- Employees are trained in safe operation of power crowd gates and entry/exit gates to avoid injury.
- Employees are trained on safe handling of animals with training documents.
- Escape exits are designated in fences and corrals.

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Looking out for **your future**

Nationwide provides a complete suite of financial solutions for farmers and ranchers, as well as agricultural, property and casualty insurance

Income and expenses

Expenses	Monthly	Annually
Nondiscretionary	\$	\$
Discretionary	\$	\$
Total expenses	\$	\$

Income	
Husband	Wife
Wages \$	Wages \$
Rents/royalties \$	Rents/royalties \$
Dividends and interest \$	Dividends and interest \$
Other \$	Other \$
Total annual income \$	Total annual income \$

Retirement

Husband	Wife
Retirement age	Retirement age
Length of retirement Years	Length of retirement Years
Anticipated annual Social Security	Anticipated annual Social Security
\$ at age:	\$ at age:

Anticipated annual defined benefit or pension

Husband	Wife
Payment amount \$	Payment amount \$
Beginning at age	Beginning at age

Retirement risk assessment

Indicate which of the following risks are of more concern to you; include your spouse if applicable

The possibility of losses on investments (market losses) or the possibility of money losing buying power in the future (inflation)?	<input type="radio"/> More concerned about market losses	<input type="radio"/> Equally concerned by market losses and inflation	<input type="radio"/> More concerned about inflation
The possibility of leaving a surviving spouse or dependents with inadequate income (early mortality) or the possibility of needing income for a very long time (longevity)?	<input type="radio"/> More concerned about early mortality	<input type="radio"/> Equally concerned by early mortality and longevity	<input type="radio"/> More concerned by longevity

Retirement income needs summary

Your assumed inflation rate in retirement (0-5%):			
Your desired minimum probability of success	<input type="radio"/> 70%	<input type="radio"/> 80%	<input type="radio"/> 90%
Income required in retirement (To cover the essentials)	\$		
Income desired in retirement	\$		

Employee benefits and retirement plans

Do you have any of the following employee benefits?

Group life	<input type="radio"/> Client	<input type="radio"/> Spouse	Thrift	<input type="radio"/> Client	<input type="radio"/> Spouse
Group health	<input type="radio"/> Client	<input type="radio"/> Spouse	Stock options	<input type="radio"/> Client	<input type="radio"/> Spouse
Group disability	<input type="radio"/> Client	<input type="radio"/> Spouse	Deferred compensation	<input type="radio"/> Client	<input type="radio"/> Spouse
Group dental	<input type="radio"/> Client	<input type="radio"/> Spouse	Executive bonus (IRC 162)	<input type="radio"/> Client	<input type="radio"/> Spouse
Pension plan	<input type="radio"/> Client	<input type="radio"/> Spouse	Other: _____	<input type="radio"/> Client	<input type="radio"/> Spouse
Profit sharing (401(k))	<input type="radio"/> Client	<input type="radio"/> Spouse			

Pension plans

Company	Owner	Death benefit	Beneficiary	Monthly benefit
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

If surviving spouse will receive monthly benefit, how much? \$ _____

Retirement plans

Summary plan description, documents you signed to set up the plan, account statement, beneficiary designation.

Type of plan*	Company	Owner	Beneficiary upon your death	Percent vested	Value
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
*profit sharing (401(k), cash balance, defined benefit/defined contribution)				Total	_____

Nonqualified Deferred Compensation Plans

Summary plan description, documents you signed to set up the plan, account statement, beneficiary designation.

Type of plan*	Company	Owner	Beneficiary upon your death	Percent vested	Value
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
				Total	_____

Investments and insurance

Nonqualified investments (e.g. stock, bonds, mutual funds outside of 401(k), IRA, etc.)

Owner	Beneficiary	Value

Life insurance

Insured	Owner	Beneficiary	Net cash value	Death benefit	Type

Annuities

Annuitant	Owner	Beneficiary	Value

Long-term care/disability/other insurance

Type of policy	Insured	Owner	Daily benefit	Benefit period	Elimination period

Other insurance questions

	Yes	No
Have you transferred ownership of a life policy or annuity in the last three years?	<input type="radio"/>	<input type="radio"/>
Other than property or liability insurance, are there any other types of insurance you own?	<input type="radio"/>	<input type="radio"/>

If yes, include information here:

What is the purpose for the insurance policies you currently own?

When was the last time your insurance program was reviewed?

(This would include a review of your business insurance, property casualty, liability and other coverages.)

Mortgages, liabilities and other debts

Collateral/loan name	Owner	Type of loan	Current balance	Interest rate	Remaining term	Frequency of payment	Scheduled payment
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							



Total Liabilities \$

Summary of assets

When possible, look at account statements, deeds, annual reports and any other documentation that can provide the correct ownerships, valuations and beneficiaries. Only put ownership that is "joint with rights of survivorship" in the joint column. If a husband and wife own property as "tenants in common" divide the value in half and put equal amounts in their individual columns. List assets owned by a separate business entity (C corporation, S corporation, LLC, limited partnership, partnership) on a separate inventory form. Indicate the type of business entity, the value of the interest owned and who owns it. Also indicate if property is owned in different states. If not recorded elsewhere, please note the beneficiaries for annuities, insurance, retirement plans and whether bank accounts and investment accounts are payable on death or transferable on death.

Assets

Real estate (personally owned)		Husband	Wife	Joint
Residence		\$	\$	\$
Buildings		\$	\$	\$
Farmland	Acres _____	\$	\$	\$
Personally owned business property				
Machinery		\$	\$	\$
Harvesting crops		\$	\$	\$
Growing crops		\$	\$	\$
Livestock		\$	\$	\$
Other		\$	\$	\$
Other assets				
Notes receivable		\$	\$	\$
Closely-held stock interest		\$	\$	\$
Other		\$	\$	\$
Bank notes				
Savings/money market		\$	\$	\$
Checking		\$	\$	\$
CDs		\$	\$	\$
Other		\$	\$	\$
Investments				
Qualified retirement plans		\$	\$	\$
IRAs/SEPs		\$	\$	\$
Roth IRAs		\$	\$	\$
Annuities		\$	\$	\$
Mutual funds		\$	\$	\$
Stocks		\$	\$	\$
Bonds		\$	\$	\$
Other		\$	\$	\$
Personal property				
Automobiles		\$	\$	\$
Home furnishings		\$	\$	\$
Antiques/jewelry/collectibles		\$	\$	\$
Other		\$	\$	\$
Total		\$	\$	\$
Total value of assets:		Total liabilities:		Net worth:
\$		\$		\$

I represent that the information on this inventory is true and complete to the best of my knowledge. I understand that if items are omitted or misrepresented my goals and objectives may not be accomplished.

Client signature _____

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Your farm today can be **your legacy** tomorrow

“When we hit a certain age, it seemed like we knew we needed to get something done so that we could preserve the farm for our two daughters.”

Ed and Vicki
Land As Your Legacy® family since 2014

Estate planning

Current estate plan

If an answer is not applicable, check the "No" box.

	Yes	No
1. Do you have a will?	<input type="radio"/>	<input type="radio"/>
2. If so, what are its basic distribution provisions?		
3. Do you have a revocable living trust?	<input type="radio"/>	<input type="radio"/>
4. If so, what are its basic distribution provisions?		
5. Do you have an irrevocable trust?	<input type="radio"/>	<input type="radio"/>
6. If so, what are its basic distribution provisions?		
7. Do you have a durable power of attorney?	<input type="radio"/>	<input type="radio"/>
8. Do you have a living will?	<input type="radio"/>	<input type="radio"/>
9. Do you have a durable power of attorney for health care or health care directive?	<input type="radio"/>	<input type="radio"/>
10. Are you making regular annual gifts?	<input type="radio"/>	<input type="radio"/>
11. Have you made gifts greater than the annual gift tax exclusion?	<input type="radio"/>	<input type="radio"/>
12. Have you filed a gift tax return with the federal government or state?	<input type="radio"/>	<input type="radio"/>
If yes, please provide date of filing, amount of gift and to whom gift was made:		
13. Are you receiving regular gifts or do you anticipate receiving gifts?	<input type="radio"/>	<input type="radio"/>
14. Do you expect to receive an inheritance?	<input type="radio"/>	<input type="radio"/>
15. Are you the beneficiary of any trusts?	<input type="radio"/>	<input type="radio"/>
16. Are you the conservator or guardian for anyone?	<input type="radio"/>	<input type="radio"/>
17. Have you established any Uniform Transfers to Minors or Uniform Gifts to Minors accounts?	<input type="radio"/>	<input type="radio"/>
18. Have you established any 529 Plans, educational IRAs or other educational accounts?	<input type="radio"/>	<input type="radio"/>
19. Have you established any charitable giving program or foundation?	<input type="radio"/>	<input type="radio"/>
20. Have you prearranged or prepaid funeral arrangements?	<input type="radio"/>	<input type="radio"/>
21. Do you have final instructions that include location of important documents?	<input type="radio"/>	<input type="radio"/>
22. Have you established any other planning documents or strategies?	<input type="radio"/>	<input type="radio"/>
If you have answered "yes" to any of the above, please provide the appropriate additional information:		

[illegible]



We're experienced — and ready

Our team is ready to share insights and develop a plan that can help you achieve your goals. This includes the farm and ranch legacy planning experience of our Advanced Consulting Group — a collection of attorneys, accountants and other financial services professionals — for complex planning needs.

The team

Any successful individual has had the support of others to accomplish his or her goals. We live in a complex world that involves numerous relationships, risks, legal issues, regulatory requirements and taxes. It is impossible for one person to know it all, which is why a team approach is needed.

- At the center of the team is the person who is managing the process and making sure the other team members are involved — that person is often referred to as the quarterback. The quarterback is frequently an experienced agent or financial advisor who understands the family and the business of farming or ranching.
- Almost always, an attorney will be needed to implement the necessary legal documents, and often an accountant will be required to advise on tax and accounting issues.
- Other team members should be involved as the need arises.
- When selecting your team, it is usually best to select your *quarterback* first since he or she can guide you in the selection of the other team members. The quarterback should be involved throughout the process to coordinate and guide your team to a successful planning conclusion.

Paying your team

What does this cost?

With the Land As Your Legacy program, the real cost is your time and effort. The more you invest, the more you will get out of it.

There should be no cost in the initial selection of your team members. Most professionals provide a free initial consultation. Be sure to ask.

If your quarterback is an experienced agent or financial advisor, he or she will spend the time necessary to determine what your needs are and what solutions will best satisfy those needs. If he or she can provide the appropriate product solution, a commission will usually be generated from the sale. Some financial advisors may also charge a plan and/or management fee. Any additional charges should be explained and agreed to in writing before work begins. Because of how they are paid, individuals often feel comfortable taking the time to discuss their family and business with them.

Others also earn their living based on the sale of a product or service. These could include realtors, brokers, insurance agents, financial advisors and others who are selling a product or service.

Attorneys, accountants, counselors and consultants often charge by the hour. Their time is valuable. Unfortunately, this sometimes inhibits the discussion of the issues. They may also charge by the service that is being provided. Attorneys often charge a standard fee for the preparation of wills and trusts. Accountants may charge a standard rate for preparing specific tax returns. The billing rates for these professionals will usually reflect their level of knowledge and experience. Most will offer a free initial consultation to explain how they work and how they charge. Be sure to ask.

Trust departments, mutual funds and some financial advisors will collect a fee based on a percentage of the amount of money or assets they manage.

Banks and lenders make money from the fees and interest rates they charge on loans.

You may also be able to take advantage of services provided by the local extension service and university. The costs may be minimal since they are state institutions.

There are variations and combinations of all these payment methods. People and companies deserve to be paid for the products and services they provide. It is important for you to know what you are getting and how much it will cost. Be sure to ask.

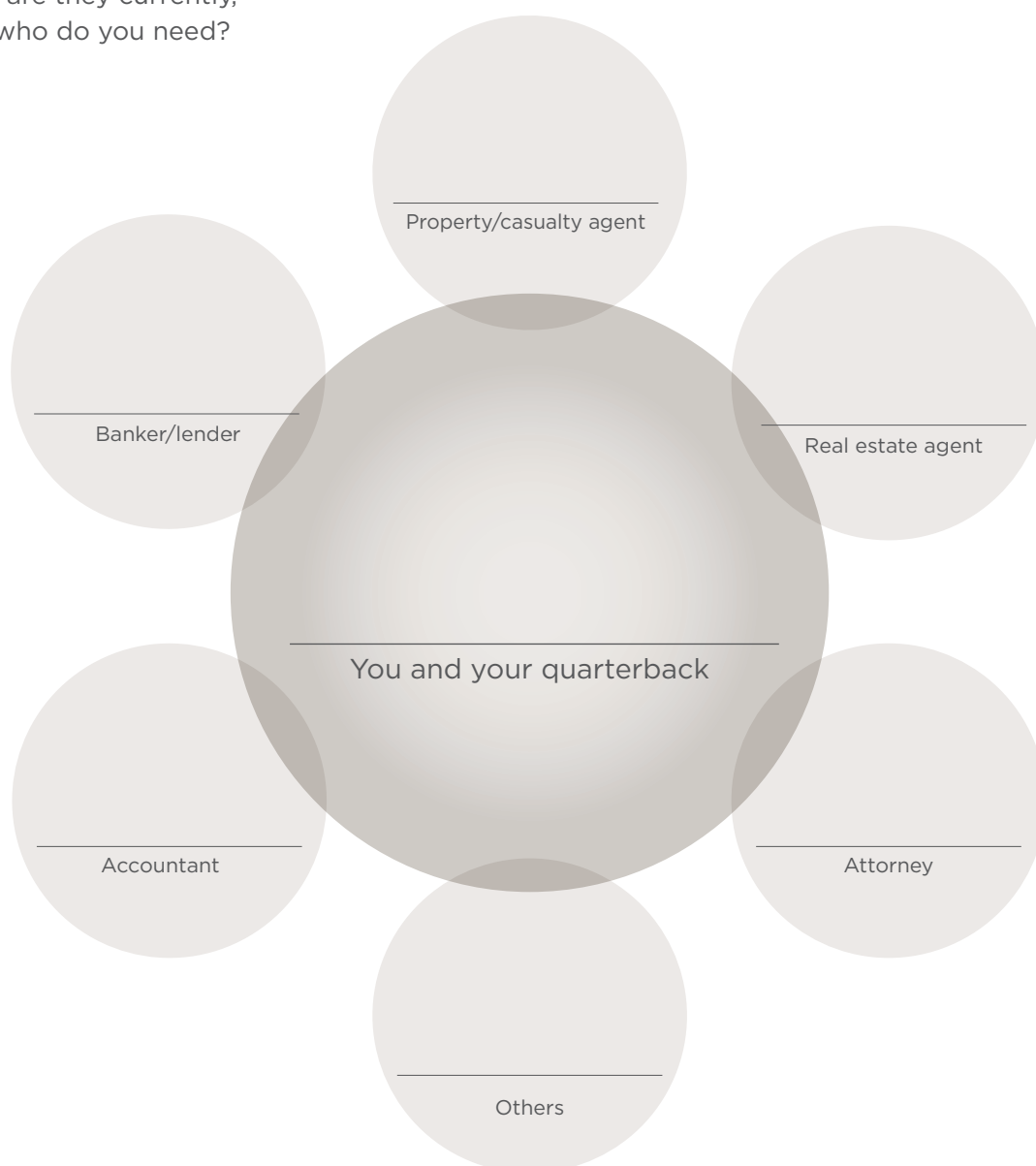
By taking advantage of the Land As Your Legacy® planning guide, you will be better prepared to maximize the time you spend with your team members. That will increase your chances of putting together a successful transition plan.

Putting together your team

- The planning quarterback — this may be your trusted Land As Your Legacy® advisor
 - Business/estate lawyer
 - Accountant
 - Banker/lender
 - Trust officer
- Others with expertise in the areas needed—business consultant, mediator, local extension service, conservation trust...

Your Team

Who are they currently,
and who do you need?



Your team

Your quarterback

Name:	Initial contact date:
Expertise:	Responsibility:
Phone:	Email:
Fax:	Mobile:
Address:	
City:	State: ZIP:
Notes:	
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Your attorney(s)

Name:	Initial contact date:
Expertise:	Responsibility:
Phone:	Email:
Fax:	Mobile:
Law firm:	
Address:	
City:	State: ZIP:
Notes:	
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Name:	Initial contact date:
Expertise:	Responsibility:
Phone:	Email:
Fax:	Mobile:
Law firm:	
Address:	
City:	State: ZIP:
Notes:	
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Your team

Your accountant

Name:	Initial contact date:		
Expertise:	Responsibility:		
Phone:	Email:		
Fax:	Mobile:		
Accounting firm:			
Address:			
City:	State:	ZIP:	
Notes:			
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Your banker/lender(s)

Name:	Initial contact date:		
Expertise:	Responsibility:		
Phone:	Email:		
Fax:	Mobile:		
Bank or lending institution:			
Address:			
City:	State:	ZIP:	
Notes:			
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Name:	Initial contact date:		
Expertise:	Responsibility:		
Phone:	Email:		
Fax:	Mobile:		
Bank or lending institution:			
Address:			
City:	State:	ZIP:	
Notes:			
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Your team

Property/casualty agent

Name:	Initial contact date:		
Expertise:	Responsibility:		
Phone:	Email:		
Fax:	Mobile:		
Insurance agency:			
Address:			
City:	State:	ZIP:	
Notes:			
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Real estate agent

Name:	Initial contact date:		
Expertise:	Responsibility:		
Phone:	Email:		
Fax:	Mobile:		
Real estate agency:			
Address:			
City:	State:	ZIP:	
Notes:			
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Your team

Other advisors and team members

Name:	Initial contact date:		
Expertise:	Responsibility:		
Phone:	Email:		
Fax:	Mobile:		
Business or institution name:			
Address:			
City:	State:	ZIP:	
Notes:			
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Name:	Initial contact date:		
Expertise:	Responsibility:		
Phone:	Email:		
Fax:	Mobile:		
Business or institution name:			
Address:			
City:	State:	ZIP:	
Notes:			
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Name:	Initial contact date:		
Expertise:	Responsibility:		
Phone:	Email:		
Fax:	Mobile:		
Business or institution name:			
Address:			
City:	State:	ZIP:	
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Appendix

1. Receipt of documents

2. Family meeting

3. Investor profile — what's your risk tolerance?

4. Life insurance needs worksheet

5. Vetting an attorney

6. Other:

Receipt of documents

It is important that documentation on personal and real property indicate type of ownership and also if there is a payable on death (POD) or transfer on death (TOD) arrangement. Insureds, annuitants and beneficiaries should also be named in the insurance and retirement documents.

Client name: _____ Phone: _____

Address _____ City _____ State _____ ZIP _____

Please provide copies instead of originals when possible. Also include the specific account or policy numbers to indicate what has been specifically taken. Attach an additional sheet if necessary.

Documents	Needed	Taken	Returned
Estate			
Wills	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Trust agreements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Powers of attorney (POA)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Living wills	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health care directives/POA for health care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Tax			
Income individual (1 - 3 years)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business (1 - 3 years)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Gift tax return (Form 709)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Estate tax return (Form 706)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employer			
Payroll or other income statements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee benefits booklets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Retirement savings plans	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pension plans	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Traditional IRA, Roth IRA, SEP statements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Security benefits statements or amounts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bank or credit union			
Mortgage Information/documents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Loan documents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Savings/CDs/money market statements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Credit card statements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Documents	Needed	Taken	Returned
Mortgages or notes payable to you	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Leases and oil, gas, mineral interests agreements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Broker or mutual fund company	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Latest monthly statements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Education funding statements (Coverdell Education Savings, UGMAs, 529s)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business			
Buy-sell agreements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deferred compensation agreements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Stock/option/bonus plans	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Documents establishing entity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Operating agreements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Valuations or appraisals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Deeds and land contracts — indicating ownership			
1.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Insurance (owner, insured, beneficiary, type of policy, company, policy number)			
Life insurance statements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Life insurance policies	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company	Policy number		
1.			
2.			
3.			
Annuity statements	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Long-term care policy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Medical/health	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

The policies and documents listed have been received for analysis and will be maintained in the strictest confidence. They will be returned upon completion of the analysis, if not sooner.

Signature: _____

Date: _____

The policies and documents taken, as noted above, have been returned to me.

Signature: _____

Date: _____



Family meeting exercises

-
1. As a family, go through the “Let the farm speak” exercise. (Pages 33-35)

-
2. Have every family member complete the “Transition Checklist for Farmers and Ranchers” and then share their responses. (See Appendix)

-
3. Have each child write a will for Mom and Dad specifically addressing the distribution of all assets, especially the farm/ranch. Also have Mom write Dad’s will and Dad write Mom’s will.

These should be delivered to Mom and Dad prior to the family meeting so that Mom and Dad have adequate time to review.

-
4. Have each family member write down his or her three areas of strength and one area that is not his or her strength.

Provide those to Mom and Dad for their review prior to the family meeting.

-
5. Other:

Family meeting

Location: _____

Date: _____ Start time: _____ End time: _____

Invitees: _____

Objective(s) of the meeting: _____

Agenda: _____

1. _____

2. _____

3. _____

4. _____

5. _____

Meeting minutes

Location:

Date:

Start time:

End time:

Attendees:

Guests:

Issues discussed:

1.

Resolution or decision:

2.

Resolution or decision:

3.

Resolution or decision:

4.

Resolution or decision:

Next meeting

Date:

Time:

Location:

Assignments or work to be done for the next meeting

1.

Whose responsibility?

2.

Whose responsibility?

3.

Whose responsibility?

4.

Whose responsibility?



Investor profile — determine your time frame and risk tolerance

How can you measure your risk tolerance?
What is your time horizon? On the pages that follow, we present a series of questions to help you understand your risk profile, as well as your personality as an investor. The answers to these questions may help you better understand your tolerance for risk.

We recommend discussing your financial goals with your investment professional, who has the experience to help you understand your profile and can help you answer the following questions. Your investment professional is an invaluable source of information and guidance when it comes to determining the right choices for you.

Risk tolerance questionnaire

A strong asset allocation strategy is based on your risk tolerance and consists of two key elements:

Your time horizon

This weighting will vary, depending upon the number of years you can remain invested. A shorter horizon, for example, would result in a more conservative portfolio strategy, regardless of how comfortable you are with market fluctuations (risk).

Your risk aversion

This weighting defines how comfortable you are with changes in market conditions and investment performance. For example, an aggressive portfolio may not be suitable for a person with a low tolerance for risk, even if he or she has a long-term time horizon.

For the remainder of the questionnaire, read the question and circle the letter next to the response that most closely resembles yours. Circle only one letter per question.

After you carefully answer each question, you and your investment professional can meet to discuss your personal investor profile.

Please note that the results of this questionnaire are not intended as investment advice.

Identify your time horizon

1. When do you expect to begin withdrawing money from your investment account?
 - A. 1 year or less
 - B. 2 – 4 years
 - C. 5 – 10 years
 - D. 11 – 15 years
 - E. 16 years or more
2. Once you begin withdrawing money from your investment account, over what period of time do you plan to spend the money?
 - A. 0 – 2 years
 - B. 3 – 5 years
 - C. 6 – 8 years
 - D. 9 – 11 years
 - E. 12 or more years
3. What do you consider a long-term investment?
 - A. 1 – 2 years
 - B. 3 – 5 years
 - C. 6 – 8 years
 - D. 9 – 10
 - E. 11 years or more

Identify your aversion to risk

4. Generally, I am willing to accept a lower return in exchange for investments with little to no fluctuation in value.
 - A. Strongly agree
 - B. Agree
 - C. Somewhat agree
 - D. Disagree
 - E. Strongly disagree
5. I understand that I must take on some additional risks in order to potentially achieve the higher returns required to meet investment goals and withdrawal needs. Therefore, I am willing to take on a significant amount of additional risk in order to potentially achieve a higher return.
 - A. Strongly disagree
 - B. Disagree
 - C. Somewhat agree
 - D. Agree
 - E. Strongly agree
6. After a significant market decline ...
 - A. I would be very concerned and would shift to the most conservative portfolio to avoid any short-term losses.
 - B. I would be somewhat concerned and would shift to a more conservative portfolio.
 - C. I would be concerned, but would maintain the investment.
 - D. I would not be concerned and would maintain the investment, realizing the potential for higher long-term returns.
 - E. I would not be concerned and would increase my exposure to the risky portfolio.
7. During market declines, I tend to move my money from risky investments into more conservative investments.
 - A. Strongly agree
 - B. Agree
 - C. Somewhat agree
 - D. Disagree
 - E. Strongly disagree
8. The statements of five investors on the subject of risk and return are listed below. Which most closely corresponds to your own attitude?
 - A. The preservation of my investments is of greatest importance to me. I am willing to accept a lower return in exchange for greater stability.
 - B. The preservation of my investments is of slightly greater importance to me than the return on those investments.
 - C. Both the preservation of my investments and the return on those investments are of equal importance to me.
 - D. The return on my investments is of slightly greater importance to me than the preservation of those investments.
 - E. The return on my investments is of the greatest importance to me. I am willing to tolerate large fluctuations in value in order to potentially receive greater returns.

9. The bar graph below is a representation of possible one-year returns for five hypothetical portfolios. The initial investment is \$100,000. The green bar represents the best potential one-year return for that portfolio. The gray bar represents the worst potential one-year return for that portfolio. Which portfolio would you prefer?



- A. Portfolio A with a potential gain of \$15,000 and a potential loss of \$8,000
 B. Portfolio B with a potential gain of \$22,000 and a potential loss of \$12,000
 C. Portfolio C with a potential gain of \$30,400 and a potential loss of \$18,000
 D. Portfolio D with a potential gain of \$39,100 and a potential loss of \$24,000
 E. Portfolio E with a potential gain of \$45,800 and a potential loss of \$27,600
10. The table below gives the chances that these hypothetical portfolios have of earning at least 8% in a given year and the chances of losing money in a given year. For example, Portfolio A has a 26% chance of earning at least 8% in a given year, but a 25% chance of losing money in a given year. Which of the five portfolios is the investment with which you would be most comfortable?

	Chance of earning 8% or more in a year	Chance of losing money in a year
A. Portfolio A	26%	25%
B. Portfolio B	35%	28%
C. Portfolio C	44%	31%
D. Portfolio D	46%	33%
E. Portfolio E	49%	35%

11. With which of the following investment types do you feel most comfortable?
- A. 5% a year on average over the long term, but has a 25% chance of declining in value in a given year
 B. 7% a year on average over the long term, but has a 28% chance of declining in value in a given year
 C. 8% a year on average over the long term, but has a 31% chance of declining in value in a given year
 D. 10% a year on average over the long term, but has a 33% chance of declining in value in a given year
 E. 11% a year on average over the long term, but has a 35% chance of declining in value in a given year

Risk tolerance scoring system

Nationwide Asset Management, LLC, designed the questionnaire scoring system to assign individuals to a portfolio based on their responses from the risk tolerance questionnaire. Like the questionnaire itself, the scoring system is divided into and determined by two distinct sections: time horizon score and risk aversion score.

Each one is scored separately, and then combined to form a total score. Nationwide Asset Management uses the total score to assist you and your investment professional in identifying your risk tolerance, which can be helpful in identifying appropriate investments.

Time horizon score

The score on Questions 1 through 3 determine the time horizon level, which is used to assign various time horizon factors.

An investor's time horizon affects which portfolios might be appropriate for the investor. For example, aggressive portfolios might not be appropriate if an investor's time horizon is short, because there might not be enough time for a portfolio to recover from a significant event in that short time horizon. This is consistent with Nationwide Asset Management's belief that individuals with shorter-term time horizons should hold portfolios that are more conservative.

Within each time horizon level, Nationwide Asset Management relates an investor's risk tolerance profile to portfolios that might be appropriate for that portfolio. Your investment professional can assist you in aligning your risk tolerance with an appropriate portfolio. If an investor's risk tolerance suggests a portfolio that is restricted (due to the time horizon level), Nationwide Asset Management guides an investor to a more appropriate portfolio for that investor's specific time horizon level. This process allows conservative investors with short time horizons to score into a portfolio matched to their risk tolerance, while at the same time helping aggressive investors with short time horizons to avoid taking excess risks.

Your time horizon score

Add the scores from Questions 1 through 3. The total score of these three questions determines the time horizon level.

The points assigned to each question are as follows:

Question 1		Question 2		Question 3	
A	0	A	0	A	0
B	2	B	2	B	2
C	5	C	5	C	5
D	8	D	8	D	8
E	10	E	10	E	10

Risk aversion score

The risk aversion portion of the scoring is taken from Questions 4 through 11. The score on these questions helps determine the risk tolerance level. The primary purpose of the time horizon score is to find the investor's ability to take on risk. The main goal of the risk tolerance portion of the questionnaire is to capture how much risk the investor is willing to accept.

The risk aversion level is composed of many different concepts uncovered by behavioral economists in recent decades, including loss aversion, risk-reward trade-off, inflation risk and the ability to stay the course. An investor who feels uncomfortable with extreme volatility or the possibility of large losses to his or her portfolio is placed in a more conservative option, while an investor who is willing to accept greater risk is placed in a more aggressive option.

Your risk aversion score

Take the risk aversion score from Questions 4 through 11. Nationwide Asset Management, LLC, assigns a point value to each response that corresponds to the investor's risk tolerance. The highest points are awarded to the most aggressive answer choices. The risk tolerance score ranges from zero (most conservative) to 80 (most aggressive).

Question 4		Question 5		Question 6		Question 7		Question 8		Question 9		Question 10		Question 11	
A	0	A	0	A	0	A	0	A	0	A	0	A	0	A	0
B	2	B	2	B	2	B	2	B	2	B	2	B	2	B	2
C	5	C	5	C	5	C	5	C	5	C	5	C	5	C	5
D	8	D	8	D	8	D	8	D	8	D	8	D	8	D	8
E	10	E	10	E	10	E	10	E	10	E	10	E	10	E	10

Your investor profile: Results

Portfolio type based on your score

This questionnaire provides a scoring system to help you assess your personal risk tolerance. The summary scoring table below assigns a label to the results of your responses that can be useful in discussions with your financial adviser to identify appropriate investments by combining the time horizon and risk aversion scores. To use the scoring table:

1. Calculate your time horizon score and risk aversion score
2. Find the time horizon score on the horizontal axis and the risk aversion score on the vertical axis
3. Take the resulting portfolio and work with your investment professional to determine if it is appropriate for your situation

Summary scoring table

Time Horizon Score					Risk Aversion Score
0-5	6-11	12-17	18-23	24-30	
Conservative	Conservative	Conservative	Conservative	Conservative	0-16
Conservative	Mod-Conservative	Mod-Conservative	Mod-Conservative	Mod-Conservative	17-33
Conservative	Mod-Conservative	Moderate	Moderate	Moderate	34-48
Conservative	Mod-Conservative	Moderate	Mod-Aggressive	Mod-Aggressive	49-64
Conservative	Mod-Conservative	Moderate	Mod-Aggressive	Aggressive	65-80

NOTE: If you have a time horizon score of 0-5 or a risk aversion score of 0-16, for example, even the most conservative portfolio may not be appropriate as an overall portfolio solution for you. Your investment professional can help you interpret the results of this questionnaire and help you identify investment solutions that might be appropriate for your investment profile.

Client approval of risk tolerance questionnaire

Client signature	Date
Investment professional signature	Date

To find the investment choices that may be best for you, talk to your investment professional today.

Selecting attorneys

Criteria and questions to use when selecting an attorney

1.	Recommendations or words of experience from family, friends and other professionals
2.	Areas of expertise — estate planning, business, elder law, agricultural, etc.
3.	How much of the attorney's time is spent in his or her area of expertise (or the area of law that you are vetting the attorney for)?
4.	Years of experience in area of expertise
5.	Number of attorneys in firm that work in the same area of expertise (size of firm and services available)
6.	Additional qualifications — certifications, continuing education, designations, LLM, etc.
7.	Seminars and conferences attended focusing on areas of expertise
8.	Memberships in organizations focused on areas of expertise
9.	Client ratings (Lawyers.com)
10.	Client complaints filed with state bar association
11.	Peer review ratings (Lawyers.com)
12.	Location — convenience or privacy?
13.	Is initial consultation free?
14.	Billing rate
15.	Communication skills
16.	Attitude toward financial service professionals and their products; does he or she believe in a team approach in the planning process?
17.	Has he or she had anything published?
18.	Does he or she speak or present in the area of law you need assistance with? Who to — attorneys, the public, professional groups?
19.	Martindale-Hubbell information and rating
20.	Does he or she have any working relationships with accountants, trust departments, financial advisors and insurance agents?

[illegible]



Contents



• Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution • Not insured by any federal government agency • May lose value

This guide alone does not constitute full due diligence in offering solutions to all of your questions.

Nationwide and its representatives do not give legal or tax advice. Please consult a legal or tax advisor for answers to specific questions.

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company.

Be sure to choose a product that meets long-term life insurance needs, especially if personal situations change — for example, marriage, birth of a child or job promotion. Weigh the costs of the policy, and understand that life insurance has fees and charges that vary with sex, health, age and smoking status. Riders that customize a policy to fit individual needs usually carry an additional charge.

Products are issued by Nationwide Life Insurance Company or Nationwide Life and Annuity Insurance Company, Columbus, Ohio.

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