

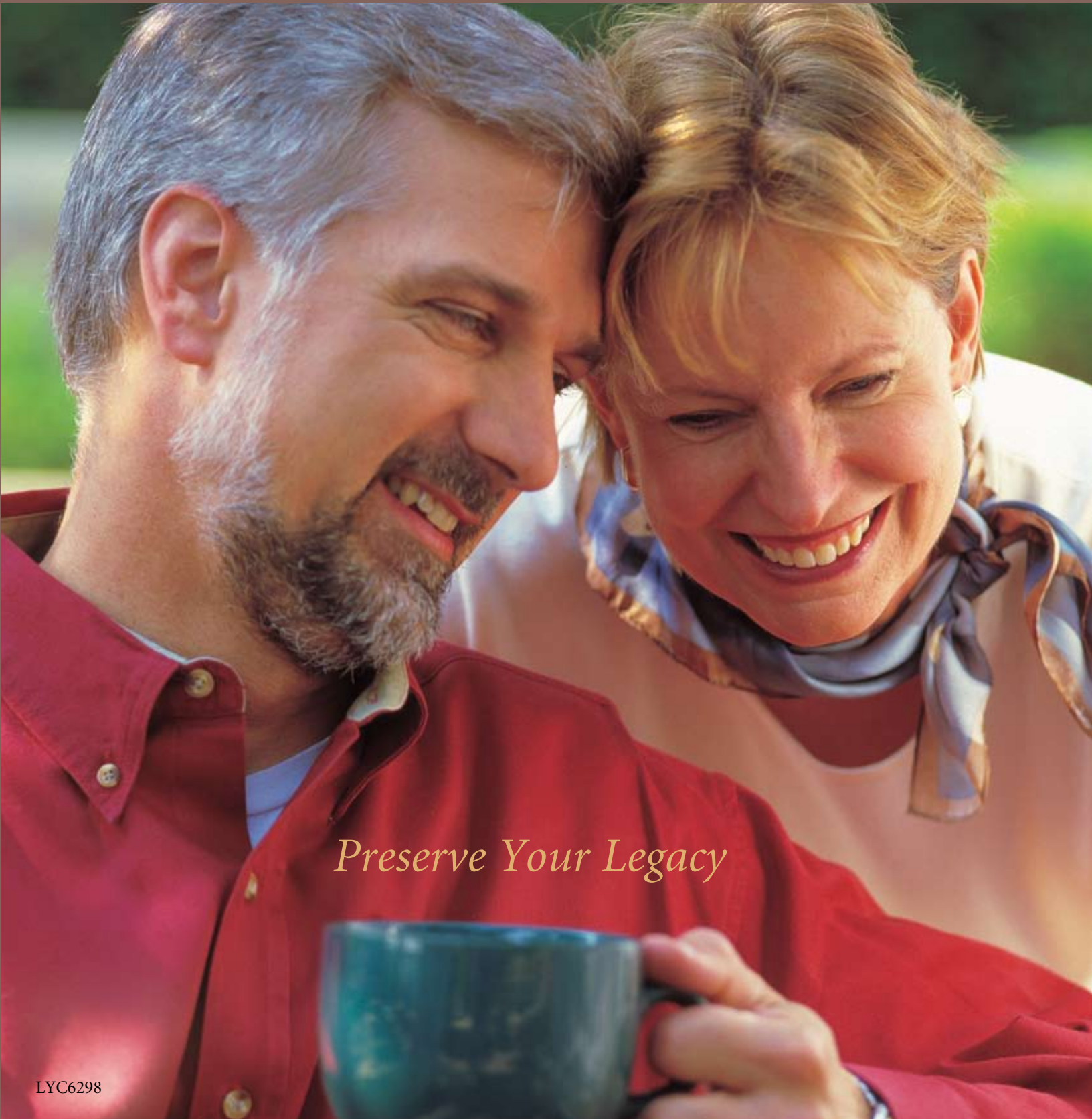
**UNITED OF OMAHA LIFE INSURANCE COMPANY
COMPANION LIFE INSURANCE COMPANY**

A MUTUAL of OMAHA COMPANY

Estate Planning Solutions



Mutual of Omaha



Preserve Your Legacy

TABLE *of* contents

I N S I D E

Estate Settlement Costs –
Not Just Taxes!1

Your Will – The Key to Your Estate
Planning Success2

Is There a Trust in Your Future?3

Additional Reasons to Plan3

Estate Planning Solutions.....5

How Will You Pay Estate Costs?.....6

Get Started8

Estate Analysis Fact Finder9

Estate planning is the most important step you can take to ensure your legacy passes intact to your heirs.

A professionally designed estate plan allows you to employ various techniques that can minimize estate settlement costs and satisfy your objectives by:

- *Reducing estate or inheritance tax liability*
- *Conserving principal*
- *Avoiding costly, frustrating settlement delays*
- *Minimizing income taxes*
- *Reducing probate and administrative costs*

This brochure explains several estate planning solutions that can help you preserve your legacy and discusses the keys to an effective estate plan.

ESTATE SETTLEMENT COSTS – NOT JUST TAXES!

All estates, large and small, can expect to pay some expenses before assets are distributed to the heirs.

The Categories of These Expenses Include:

- ***Final Expenses***
Funeral • Medical • Long-Term Care
- ***Debts***
Credit Card • Mortgage • Business
- ***Advisor's Fees***
Attorney's • Accountant's • Appraiser's
- ***Maintenance Costs***
- ***Taxes***
Income • Estate • Inheritance

If the level of these costs exceeds the value of liquid assets in the estate, non-liquid assets may be sold to raise the needed cash. Those assets, some of sentimental value, some that may produce income for the family, will not be available to satisfy established estate plans.



DON'T LET *settlement costs* IMPACT YOUR ESTATE

YOUR WILL – THE KEY TO YOUR ESTATE PLANNING SUCCESS

If you die without a will, the state decides how your property is distributed, a troublesome and potentially costly situation for your heirs. Preparing a will is a vital step in your estate plan because it ensures your personal wishes are carried out.

Generally a Will May Provide for:

- Payment of debt and expenses
- Distribution of your property
- Appointment of a guardian for your minor child
- A gift to charity
- Continuation of a business
- Appointment of a personal representative

Several Types of Wills

Simple Will

The most common type of will, a simple will, typically is used to leave everything to the surviving spouse. This arrangement, however, may not take advantage of tax savings strategies under current laws.

Will With Testamentary Trust

A testamentary trust is used to delay the distribution of assets to minor children or other family members until they are more capable of managing those assets. Many times, the provisions of this trust, which goes into effect when the trust's owner dies, are included in the will. Assets pass to this trust through the provisions of the will. Proper use of this trust can result in certain estate or inheritance tax benefits to the estate.

If you die without a will,
the state decides how your
property is distributed.



IS THERE A TRUST IN YOUR FUTURE?

A trust can be one of the most flexible tools available for the estate owner.

Trusts can be established:

- For tax reasons
- For asset management reasons
- For charitable purposes
- For asset protection
- For privacy reasons
- To delay distributions until a future time or event

Trusts can be established:

- To operate during lifetime
- To operate only upon death

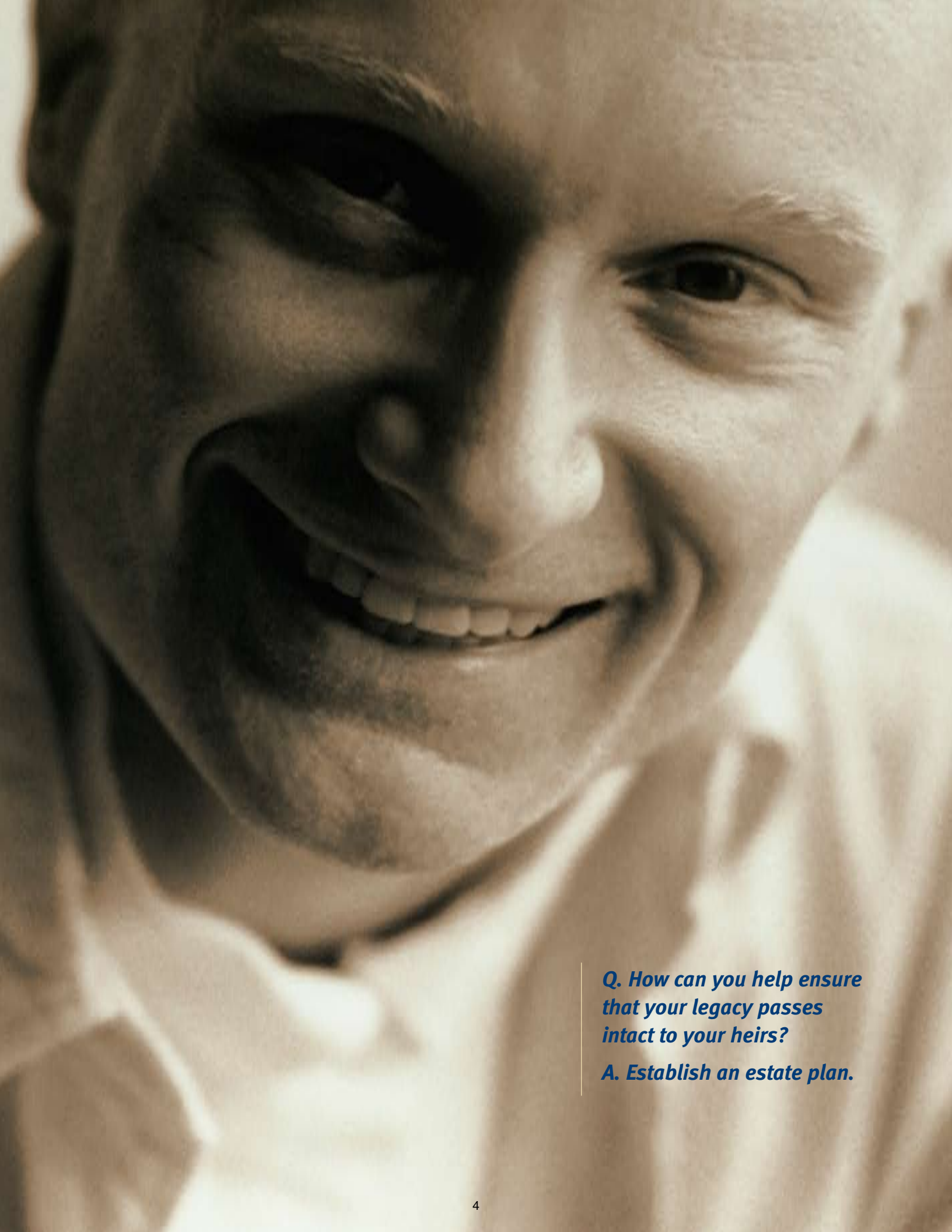
Trusts can be:

- Irrevocable (not changeable)
- Revocable (changeable)

ADDITIONAL REASONS TO PLAN

For certain estate owners, the plan may address these additional concerns:

- Passing the family business intact to the next generation
- Providing an equitable inheritance to all children when one large asset may not be easily divided
- Payment of income tax due on certain qualified retirement plan assets when received by the heirs
- Payment of expenses incurred when the estate owner is not able to care for himself or herself. Payment of these expenses acts to reduce the amount of inheritance for surviving family members



Q. How can you help ensure that your legacy passes intact to your heirs?

A. Establish an estate plan.

ESTATE PLANNING SOLUTIONS

Lifetime Gifts

Giving away assets during your lifetime is an ideal strategy to reduce the size of your gross estate. The annual exclusion permits gift amounts up to \$12,000 per donation recipient, with no gift tax. This amount can be doubled to \$24,000 if the spouse also makes a gift.

Charitable Gifts

Charitable giving can be a powerful estate planning tool. Gifts to some charities may provide not only estate tax savings, but income and gift tax savings as well.

Charitable Remainder Trusts

A charitable remainder trust is an estate planning tool that allows you to remove highly appreciated assets from your estate and provide an income stream to you or your designated heirs. Benefits include potential income tax, gift tax and estate tax savings.

Family Limited Partnership

This tool places assets (cash, stock, real estate, etc.) into an entity called a family limited partnership. Shares of the limited partnership may then be gifted to family members while you maintain the right to actively control the partnership. The result is that the value of the partnership, and therefore the estate, can be reduced, which controls estate expenses.

Qualified Terminable Interest Property (Q-TIP) Trust

Through this trust arrangement, assets pass to the surviving spouse with a portion earmarked to ultimately pass to other designated heirs. This approach is especially useful in second marriage situations, when assets may be preserved for children from a previous marriage.

Section 303 Redemptions

This estate planning tool enables your company to buy back stock from your estate without the distribution being treated as a dividend for income tax purposes. The value of your stock need only exceed 35 percent of your adjusted gross estate. Such a sale covers only amounts necessary to pay estate taxes and administrative expenses, but may be an ideal method to provide estate liquidity.



ALWAYS CONSULT YOUR LEGAL AND TAX ADVISOR REGARDING YOUR SITUATION.

HOW WILL YOU PAY ESTATE COSTS?

Having a thorough estate plan doesn't mean you won't have settlement costs. If you need to pay estate costs, here are some options.

Use Cash

While cash can be used, it's unlikely there will be sufficient cash available when needed. Generally it is impractical to keep large amounts of cash on hand.

Liquidate Assets

Assets may have to be liquidated below their fair market value.

Borrow Money

Borrowing also presents certain drawbacks. For example, will there be a willing lender available when the money is needed? Also, the loan will have to be repaid with interest.

Pay in Installments

If an estate contains business or farm assets, those assets may qualify for deferred installment payments under Internal Revenue Code (IRC) Section 6166.

However, there are certain pitfalls when selecting this method of payment. The Internal Revenue Service can place a lien on the business and a missed payment can cause the entire deferred estate tax, plus interest, to become due immediately.

**States have power to levy death taxes. Right to levy those is governed by state law. The state looks at two factors: the estate owner's domicile at death and the location of the property the estate owner owned at death.*

LIFE INSURANCE ADVANTAGES

- Premium payments can be spread out over a period of years
- Heirs don't have the burden of paying estate settlement costs
- Proceeds are immediately available when taxes are due
- Proceeds are free of federal income tax
- Generally, insurance policy proceeds are free of federal estate tax if a third party or an irrevocable life insurance trust owns the policy
- Generally, proceeds are not subject to probate expenses
- Proceeds can replace the financial loss caused by premature death

Through proper planning and use of life insurance, you can minimize estate settlement costs, provide funds to meet costs and conserve your estate for your heirs.



Use Life Insurance

Life insurance allows you to pay now, and to pay all estate-settlement costs, including federal estate taxes, for just pennies on the dollar.

By placing ownership of your insurance policy with a third party or in an irrevocable life insurance trust, you can exclude the policy from your estate, thereby avoiding taxes on policy proceeds.

GET STARTED

You can get things going by providing us information about:

- Your goals
- Your assets and outstanding liabilities
- Your will, trust, etc.

We can help you:

- Estimate the amount of your estate settlement costs for discussion with your legal and financial adviser
- Determine if your goals are being met under your current plan
- Explore alternatives in order to meet your goals
- Gain consensus with legal, tax and financial advisers regarding revisions to your existing plan
- Coordinate implementation of your plan and establish funding for estate settlement costs
- Monitor your plan for changes related to tax laws and your goals

You can help us do that by:

- Having an attorney revise your will, create a trust(s) and restructure ownership of your assets if needed
- Changing ownership and beneficiary designations on life insurance policies if required
- Securing additional life insurance if needed

A well-trained, professional insurance agent who knows the benefits and uses of all different types of life insurance policies will be happy to analyze your situation without cost or obligation. The attached fact finder and our cutting edge estate planning software will allow your agent to build a professional estate plan.



**“The beginning
is the most
important part
of the work.”**

– Plato



Mutual of Omaha

ESTATE ANALYSIS FACT FINDER

DATE _____ AGENT _____ DIVISION OFFICE _____

CLIENT

Name _____ Sex _____

Address _____

State _____ Phone _____

Date of Birth _____ Age _____

E-mail _____

Smoker Y/N _____

Date Last Physical _____

Medications _____

Health Condition _____

Tax Rates

Pre-retirement _____

Post-retirement _____

Employer _____

Occupation _____

Estimated Final Expenses _____

SPOUSE

Name _____ Sex _____

Address _____

State _____ Phone _____

Date of Birth _____ Age _____

E-mail _____

Smoker Y/N _____

Date Last Physical _____

Medications _____

Health Condition _____

Tax Rates

Pre-retirement _____

Post-retirement _____

Employer _____

Occupation _____

Estimated Final Expenses _____

CHILDREN'S NAMES

AGE

MARITAL STATUS

SITUATION (Are children from a prior marriage, adopted, etc.? Also list special circumstances.)

CHILDREN'S NAMES	AGE	MARITAL STATUS	SITUATION
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Income

	CLIENT	SPOUSE
Annual Income	\$ _____	\$ _____
Growth Rate	_____ %	_____ %
Percentage of Annual Income Saved	_____ %	_____ %
Number of Years Expected to Receive Income	_____	_____
Annual Expenditures	_____	_____

Record of Assets

CLIENT	OWNER	MARKET VALUE	LIABILITY	GROWTH RATE	BASIS
Residence _____	_____	\$ _____	\$ _____	_____	_____
Real Estate _____	_____	\$ _____	\$ _____	_____	_____
Securities _____	_____	\$ _____	\$ _____	_____	_____
Cash _____	_____	\$ _____	\$ _____	_____	_____
Automobile _____	_____	\$ _____	\$ _____	_____	_____
Household Goods _____	_____	\$ _____	\$ _____	_____	_____
Personal Property _____	_____	\$ _____	\$ _____	_____	_____
Business Interest _____	_____	\$ _____	\$ _____	_____	_____

Percentage of Business Owned _____

Type of Business Structure _____
(e.g., partnership, S-corp, C-corp, LLC, sole proprietor)

Has business been valued within the last two years _____

ITEM	OWNER	MARKET VALUE	LIABILITY	GROWTH RATE	BASIS
Future Inheritance _____	_____	\$ _____	\$ _____	_____	_____
Other _____	_____	\$ _____	\$ _____	_____	_____
Other _____	_____	\$ _____	\$ _____	_____	_____
Other _____	_____	\$ _____	\$ _____	_____	_____

The Value of Your Farming or Ranching Business

Use this schedule to list the value of assets comprising the farm or ranching operation of your client. Do not enter figures here that already have been entered in your client's record of assets section.

ITEM	OWNER	MARKET VALUE	LIABILITY	GROWTH RATE	BASIS
Real Estate _____	_____	\$ _____	\$ _____	_____	_____
Machinery _____	_____	\$ _____	\$ _____	_____	_____
Livestock _____	_____	\$ _____	\$ _____	_____	_____
Machinery _____	_____	\$ _____	\$ _____	_____	_____
Total Agribusiness Assets _____	_____	\$ _____	\$ _____	_____	_____

(indicate percentage owned)

Owner: J=Joint with spouse, H=Husband, W=Wife, C=Community Property

Community Property States: Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington and Wisconsin



Mutual of Omaha

Retirement Plans

Types include: pension or profit-sharing plans, including 401(k), HR10 plans, SEP plans, tax-sheltered annuities, individual retirement plans and deferred compensation programs. In community property states, retirement plans are assumed community property unless otherwise noted.

PLAN TYPE	PARTICIPANT	CURRENT VALUE	BENEFICIARY	YEARLY CONTRIBUTION	GROWTH RATE
_____	_____	\$ _____	_____	_____	_____
_____	_____	\$ _____	_____	_____	_____
_____	_____	\$ _____	_____	_____	_____
_____	_____	\$ _____	_____	_____	_____
_____	_____	\$ _____	_____	_____	_____

Existing Insurance

INSURED	OWNER	BENEFICIARY	ISSUING COMPANY	DEATH BENEFIT ¹	SURRENDER VALUE	PREMIUM
_____	_____	\$ _____	_____	_____	_____	_____
_____	_____	\$ _____	_____	_____	_____	_____
_____	_____	\$ _____	_____	_____	_____	_____
_____	_____	\$ _____	_____	_____	_____	_____
_____	_____	\$ _____	_____	_____	_____	_____

Long-Term Care Insurance

INSURED	ISSUING COMPANY	DAILY BENEFIT	BENEFIT PERIOD	PREMIUM
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Riders/Other Benefits _____

Insured: H=Husband, W=Wife, S=Survivor, O=Other
Beneficiary: H=Husband, W=Wife, T=Trust, O=Other
Owner: H=Husband, W=Wife, T=Trust, O=Other

¹If the owner has borrowed against the policy's cash value, reduce death benefits by the amount of the loan.

Testamentary Plans

Present Estate Plan

Do you have a will? Yes No Date of Will _____

Type of will (obtain copy if possible)

Maximum Marital Deductions; Simple Will (All to survivor)

Unified Credit Will; Tax-Saving Will or Trust Plan. Describe _____

Have you used an irrevocable life insurance trust to exclude insurance proceeds from being taxed to your estate? Yes No

Do you have a living revocable trust? Yes No

Do you have long-term care insurance? Yes No

Does your spouse have a will? Yes No Date of Will _____

Type of will

Maximum Marital Deductions; Simple Will (All to survivor)

Unified Credit Will; Tax-Saving Will or Trust Plan. Describe _____

Has your spouse used an irrevocable life insurance trust to exclude insurance proceeds from being taxed to your estate? Yes No

Does your spouse have a living revocable trust? Yes No

Does your spouse have long-term care insurance? Yes No

Have you utilized a gift-giving program to reduce the size of your gross estate? Yes No

Do you have a prenuptial agreement? Yes No

If yes, describe _____

If you own a business, do you have a succession plan in place? Yes No

If yes, describe _____

Are you active in any associations, charities or alumni organizations? Yes No

If yes, please list _____

Your Estate Planning Objectives

How would you like your estate to be distributed at your death, assuming you die first? _____

How would your spouse like his/her estate to be distributed at death, assuming your spouse dies first? _____

How much annual income will you need to retire? _____

What will be the source of that income? _____

Do you or your spouse plan to bequeath money/assets to a charity at death? If yes, explain. _____

Additional Estate Planning Information _____

Other Advisers: Attorney _____ Investment Adviser _____

Insurance Agent _____ Trust Officer _____ Accountant _____



Receipt for Estate Planning Documents

Instructions

- A. Check each document received for analysis.
- B. Indicate whether original (O) or copy (C).
- C. Agent should complete, sign, date and leave the receipt with the client.

- D. Detach the fact finder from the brochure and leave brochure with the client.
- E. Upon returning the documents, have client sign and date, indicating that all documents have been returned.

I N S U R A N C E P O L I C I E S

COMPANY	POLICY NUMBER	COMPANY	POLICY NUMBER
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

P E R S O N A L D O C U M E N T S

B U S I N E S S D O C U M E N T S

- Your Will¹ _____
- Spouse's Will¹ _____
- Trust Agreements _____
- Deeds or Contracts _____
- Income Tax Returns (3 yrs.) _____
- Gift Tax Returns _____
- Financial Statement¹ _____
- Divorce Decree _____
- Prenuptial or Postnuptial Agreement _____
- Other (specify) _____

- Income Tax Returns (3 yrs.) _____
- Financial Statement¹ _____
- Stock Purchase Agreement _____
- Business Buy-Sell Agreements _____
- Employee Agreements _____
- Employee Benefits Booklet _____
- Pension or Profit-Sharing Plan _____
- Leases of Lessor or Lessee _____
- Other (specify) _____

¹Minimum recommended documents

Documents Received for Analysis

Your documents will be returned on completion of analysis, or sooner, if requested.

Agent _____

Address _____ Phone Number _____

Agent's Signature _____ Date _____

The policies and documents for which the above receipt was given have been returned to me.

Client's Signature _____ Date _____

Client's Signature _____ Date _____

Underwritten by:

UNITED OF OMAHA LIFE INSURANCE COMPANY

Omaha, NE 68175

COMPANION LIFE INSURANCE COMPANY

Lynbrook, NY 11563

800 524 2324

mutualofomaha.com

Life insurance underwritten by United of Omaha Life Insurance Company. United of Omaha is not licensed in New York. In New York, Companion Life Insurance Company, Lynbrook, NY underwrites life insurance.



OFFICIAL SPONSOR