

# Personal Planning Transformation Checklist

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Family Business Office recommends that individuals:

1. \_\_\_ Do everything you can to make your job secure; finding a new job is becoming increasingly difficult. Predictions of eventual unemployment approaching 40% (from 22% currently) exist. It's a good time to go overboard in work performance, and even to schmooze the boss (or go overboard for your customers, if you are a business owner). You should also, ideally, have enough financial reserve to go 12 months without employment income.
2. \_\_\_ If you are receiving a pension, contact the servicing agent to see if you can negotiate a lump sum payment, even though in most instances it will not be allowed. The average corporate trustee is still assuming 8.5% annual plan returns, which means that many plans are going to fall into the lap of the Pension Benefit Guaranty Corp., which will have to go begging to Congress for money.
3. \_\_\_ Put 10 to 20% of your wealth in gold bullion, in your personal custody. As this nightmare unravels, gold is likely to be the ONLY asset you can count on; it has, after all, maintained its purchasing power for 5,000 years. If you have storage space, put another 3 to 13% in silver bullion.
4. \_\_\_ Stock water, food, medical and emergency supplies to last a minimum of six weeks. Geophysical turbulence is intensifying and predictions are for weather, earthquakes, hurricanes, tornados, etc. to become even more disruptive. Terrorism is also still a threat. In an area emergency, help may not be available for days or even weeks. Plant a garden.
5. \_\_\_ Have cash on hand to buy gas and food for at least one month (ideally three months). If a 'banking holiday' is declared, your ATM cards won't work—and your credit cards may not either.
6. \_\_\_ Withdraw the maximum you can from your IRA and 401(k) accounts. The government has its eye on these retirement plans and is likely to make an attempt to force part or all of them to be invested in US government bonds. Pull money from your 401(k) by taking out a maximum loan. To facilitate IRA withdrawals, ask your tax preparer how much you can withdraw without moving into a higher marginal bracket. In our opinion, taxes on these withdrawals are virtually guaranteed to be higher in the future than they are now.
7. \_\_\_ Be prepared to move 50 to 100% of your fixed income investments into foreign currencies. We favor currencies backed by sound monetary policy, including commodity exporters Australia, Norway and Canada, and also hold Swiss francs. Longer term, we think the Chinese renmimbi will be the currency to hold.

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8. \_\_\_ Make sure that your cash is at an FDIC-protected bank and in a properly-titled account, guaranteeing FDIC coverage.
9. \_\_\_ Keep your brokerage account cash in either an FDIC-guaranteed or government money market fund. Alternatively, if your brokerage firm is participating in the government's money market guarantee program, a portion of it should be safe until the end of 2009.
10. \_\_\_ Have 90% silver or 1/20 or 1/10 oz gold coins on hand to facilitate purchasing (or barter), in case paper money becomes worthless.
11. \_\_\_ Take precautionary identity theft steps. Petty theft is on the rise. Financially-strapped municipalities have begun releasing non-violent prisoners from jail and cutting parole requirements. Numerous checklists have been developed; we have one too—and have just added a section on setting internet passwords.
12. \_\_\_ Take a self-defense course, if you're not already proficient in martial arts.
13. \_\_\_ Know how to operate the firearms that you own. And stock up on ammunition—it's in short supply and there's a new federal move afoot to control ammo, as well as guns.
14. \_\_\_ Ensure that brokerage firm holdings of company stock that you want to retain for a significant period of time are in 'book entry' or 'direct registration' form (meaning registered in your name). If they are held in 'street name' (ie, in the name of the brokerage firm), you can request that a certificate be issued. Make sure your assets are not on the custodian's balance sheet.
15. \_\_\_ Get your planning up to date. Do you have the right amount of life insurance? Is your health insurance coverage secure and cost-effective? Have property and liability insurance coverages been set at an optimum level? Do you need/have disability insurance? Is there anything in your family background that would make it advisable for you to obtain long term care insurance? Is your estate planning complete and up-to-date? Is all of this information known and available to other family members?
16. \_\_\_ Update your retirement plan. Are retirement funds adequate?
17. \_\_\_ Act soon if you have an interest in setting up an overseas account or obtaining citizenship in a second country. The Obama administration is closing the doors.
18. \_\_\_ Pre-plan your own funeral, taking a big load from the shoulders of your survivors. We have designed an electronic fill-in-the-blank form that you can download to your computer and complete at your leisure.
19. \_\_\_ Once you're past all of this, reflect on where your life is headed. If it's not going where you

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want it to, the next few years may be a good time to change direction—gradually. In addition to being in crisis, the future will also bring many new opportunities.

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