
HOW WILL YOUR STORY BE WRITTEN?

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“In unity there is strength”

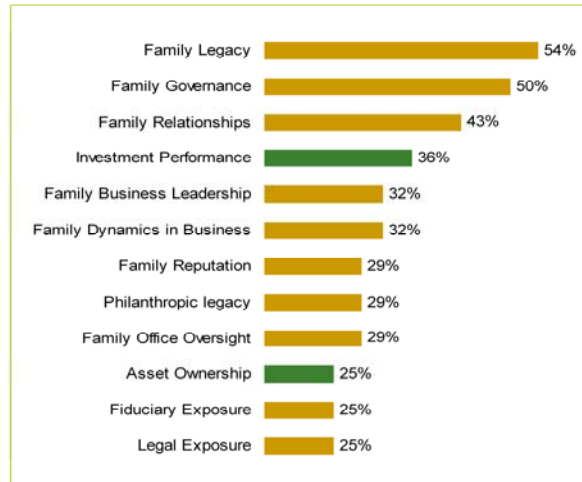


LEGACY FAMILIES

Legacy Families are families who remain productive and contributive four to five generations past the original wealth creator.



WHAT KEEPS YOU UP AT NIGHT?



Source: Family Office Exchange Research; Family Office Exchange Benchmarking

LEGACY FAMILIES UNDERSTAND ...

- The “business” of the business
- The “business” of the family

LEGACY FAMILIES FOCUS ON ...

- **Balanced deposits in the four capital accounts of :**
 - **Human capital**
 - **Intellectual capital**
 - **Social capital**
 - **Financial capital**

HUMAN CAPITAL

- Parenting/grandparenting
- Communication
- Values/ morals/ ethics
- Collaborative decision making
- Conflict resolution skills
- Leadership training
- Team building

INTELLECTUAL CAPITAL

- **Education**
- **Career choices**
- **Mentoring/ coaching**
- **Governance**
- **Rights and responsibilities of trustees and beneficiaries**

FINANCIAL CAPITAL

- **Earning money**
- **Managing/investing money**
- **Wealth transfer strategies**
- **Family business**
- **Financial parenting**
- **The psychology of money**

SOCIAL CAPITAL

- **Philanthropic initiative of the family:**
 - **Checkbook**
 - **Donor advised fund**
 - **Family foundation**
 - **Support organization**
 - **Operating foundation**
 - **Volunteer service**

LEGACY FAMILIES ENJOY AND CELEBRATE ...

- **Shared values**
- **Effective communication**
- **Process for collaborative decision making**
- **Conflict resolution skills**



LEGACY FAMILIES ENJOY AND CELEBRATE ...

- **Diversity**
- **Managed expectations**
- **Financial competency**
- **Generational leadership and governance**



LEGACY FAMILIES ENJOY AND CELEBRATE ...

- Focused achievement
- Accountability
- Heritage and traditions
- Model of “work” ethic



**LEGACY FAMILIES
ASK AND RESOLVE QUESTIONS
SUCH AS ...**

- **What is the purpose of my wealth?**
- **How do I keep wealth from poisoning worth?**
- **How will the wealth be used to increase human, intellectual and social capital for future generations?**

**LEGACY FAMILIES
ASK AND RESOLVE QUESTIONS
SUCH AS ...**

- **How much is enough?**

Birth to 18	College Years	Launching Pad
Marriage / First House	Incentive	Handicapped Child
Healthcare	Lifestyle	Miscellaneous





**LEGACY FAMILIES
ASK AND RESOLVE QUESTIONS
SUCH AS...**

- **What do I want for my children? My grandchildren?**
- **How do I provide tools vs. toys, empowerment vs. entitlement?**



**LEGACY FAMILIES
ASK AND RESOLVE QUESTIONS
SUCH AS ...**

- **What do my children and grandchildren want for themselves?**
- **How will the family empower each member to achieve their dreams?**
- **Will my child or grandchild become a “trust fund junkie”?**



**LEGACY FAMILIES
ASK AND RESOLVE QUESTIONS
SUCH AS ...**

- **Am I in agreement with my parenting partner?**
- **Do I have a coordinated team of multi-disciplinary advisors – my “brain trust”?**
- **Do my advisors provide me qualitative as well as quantitative expertise?**



**LEGACY FAMILIES
ASK AND RESOLVE QUESTIONS
SUCH AS ...**

- **Are “fair” and “equal” the same?**
- **Are family members who are in the family business entitled to a greater share of ownership?**
- **How do I protect my assets from creditors or divorce?**

WEALTH PLANNING FOCUSES ON SUCH QUESTIONS AS ...

- **If there were no estate tax, would you leave all your wealth to your children?**

“Money brings some happiness but, after a certain point, it just brings more money.”

NEIL SIMON



WEALTH PLANNING FOCUSES ON SUCH QUESTIONS AS ...

- **Does your estate plan reinforce core values or just shift money?**
- **Will the plan encourage dependence and indolence or achievement and productivity?**
- **Has or should the plan be discussed with your adult children?**



WEALTH PLANNING FOCUSES ON SUCH QUESTIONS AS ...

- **Will the plan encourage your beneficiaries to acquire their own wealth or just consume yours?**
- **Will the date of your death become the date of their retirement?**



WEALTH PLANNING FOCUSES ON SUCH QUESTIONS AS ...

- **Are your chosen trustees qualified and prepared for**
 - The financial responsibilities?
 - The emotional responsibilities?
 - The time required?
- **Are your wishes and intentions clearly documented?**
- **Will your choice of trustees help to bind or disrupt your family?**



TOOLS AND TECHNIQUES

- **Lifetime gifts that create opportunity but don't remove the challenge**
- **Gifts at death that reward effort, achievement, moral standards and strong values**
- **Shared asset agreements**



TOOLS AND TECHNIQUES

- **Strategic plan**
- **Family constitution**
- **Family meetings**
- **Leadership transition plan**
- **Managed expectations**
- **Family bank**
- **Family foundation**



FINAL THOUGHTS

How you leave your wealth is as much a reflection of who you are as how you earned it, and likely to be remembered a lot longer.



FINAL THOUGHTS

"Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the Cat.

"I don't much care where" said Alice.

"Then it doesn't matter which way you go," said the Cat.

Lewis Carroll

"Alice's Adventures in Wonderland"



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