

Managing Legacy Wealth Employing Best Practices

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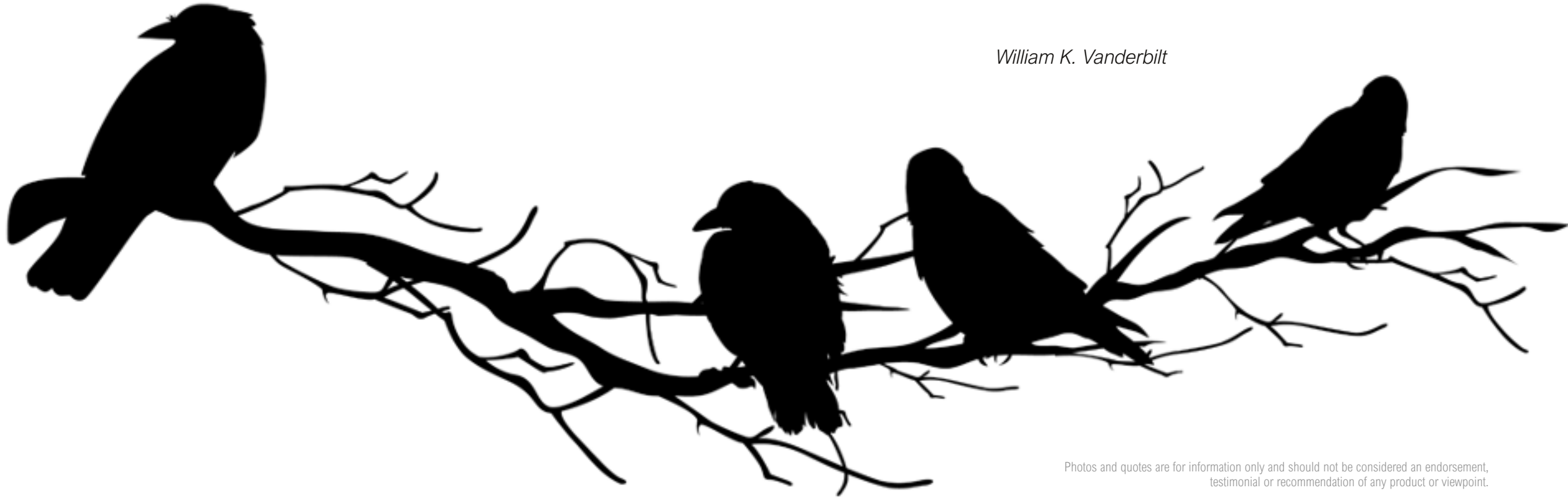
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“Inherited wealth is a real handicap to happiness. It’s as certain a death to ambition as cocaine is to morality.”

William K. Vanderbilt



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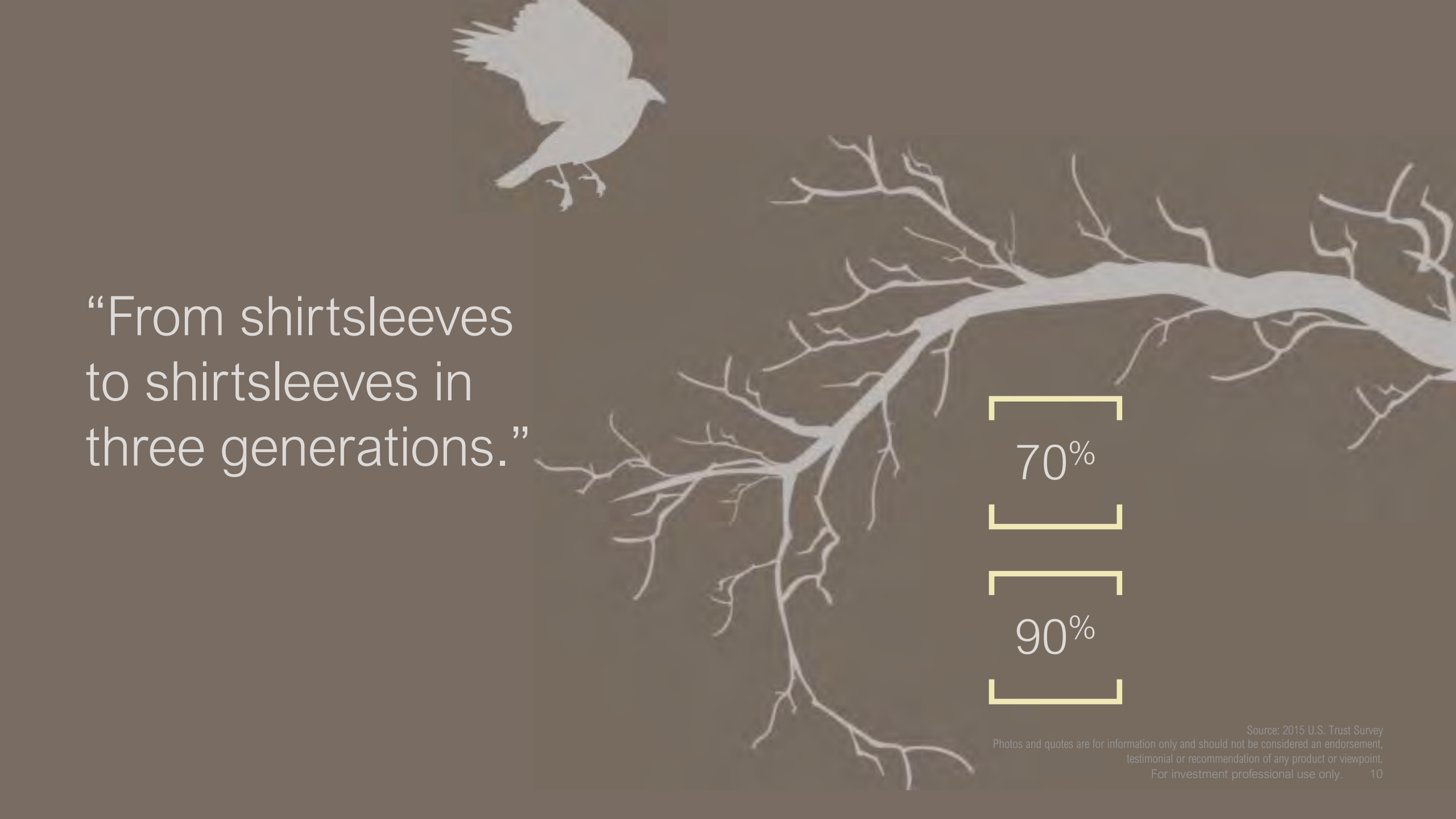
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“From shirtsleeves
to shirtsleeves in
three generations.”

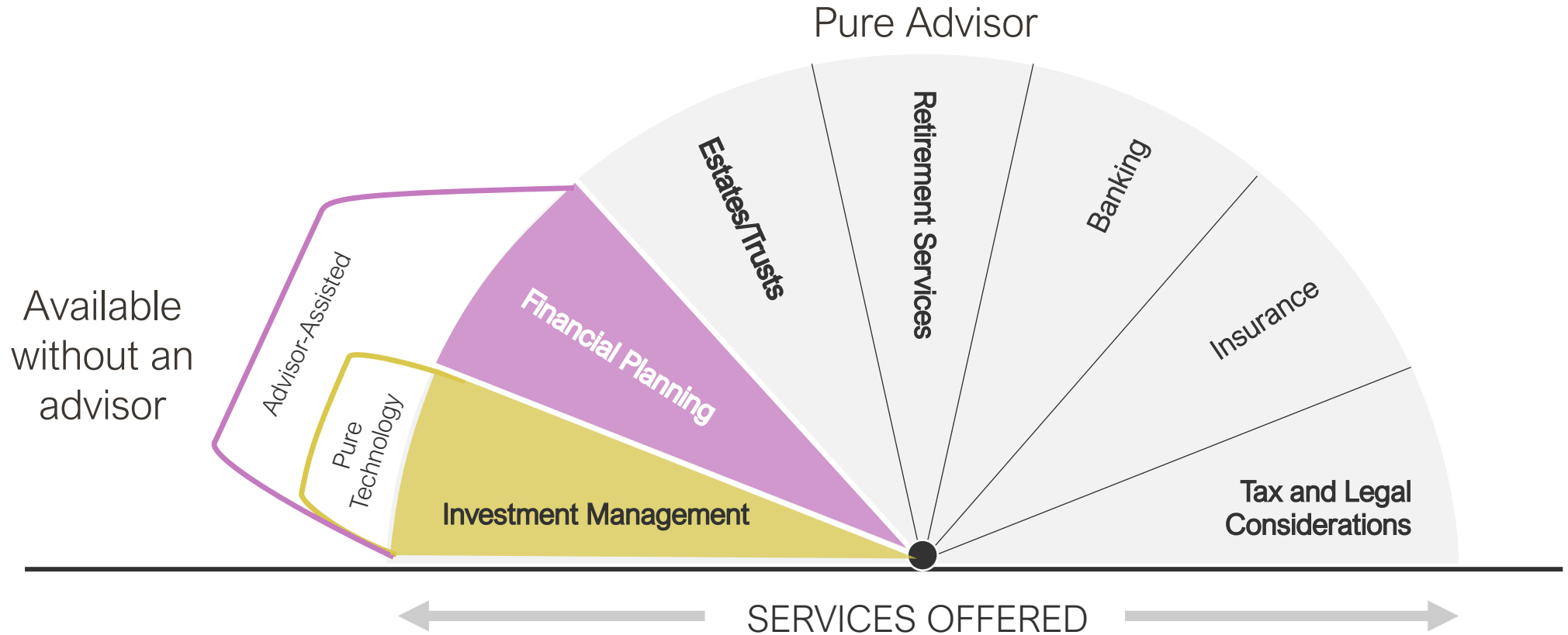
70%

90%

Agenda

- Navigating Shifting Sands
- Embracing the Wealth Transfer Opportunity
- Understanding Why Generations Matter
- Developing the Right Team
- Making it Happen

Navigating Shifting Sands: Staying Ahead of Commoditization



Source: Capgemini Financial Services Analysis, 2015

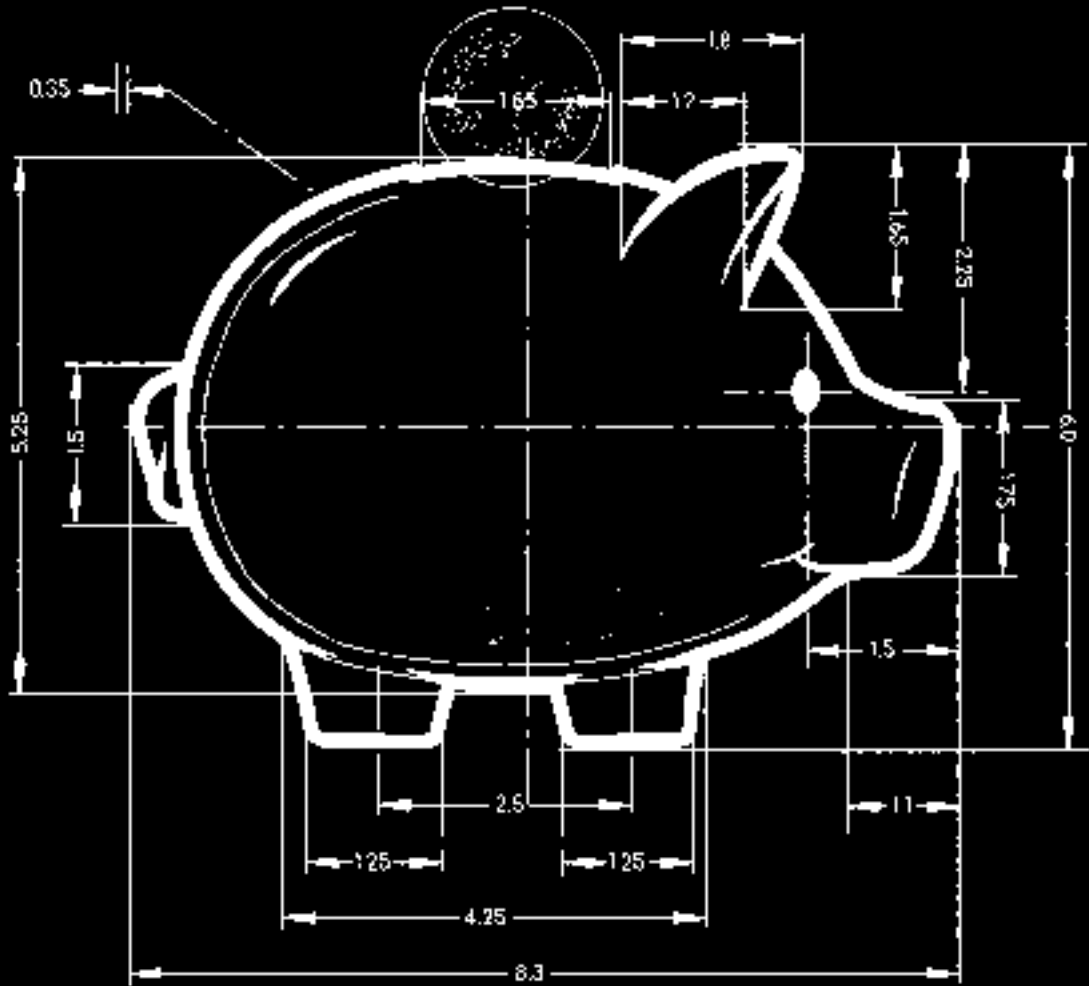
The
**Great
American
Wealth
Transfer:**

\$84.4 trillion will transfer from the Silent Generation and Baby Boomers between now and 2045

\$72.6 trillion will be transferred to heirs

\$11.9 trillion will be donated to charities

PIGGY BANK



PIGGY BANK
PROJECT No. 10.

CAT. SAVINGS
MAT. PORCELAIN

45 million U.S. households will transfer more than \$68 trillion over the next 25 years.¹

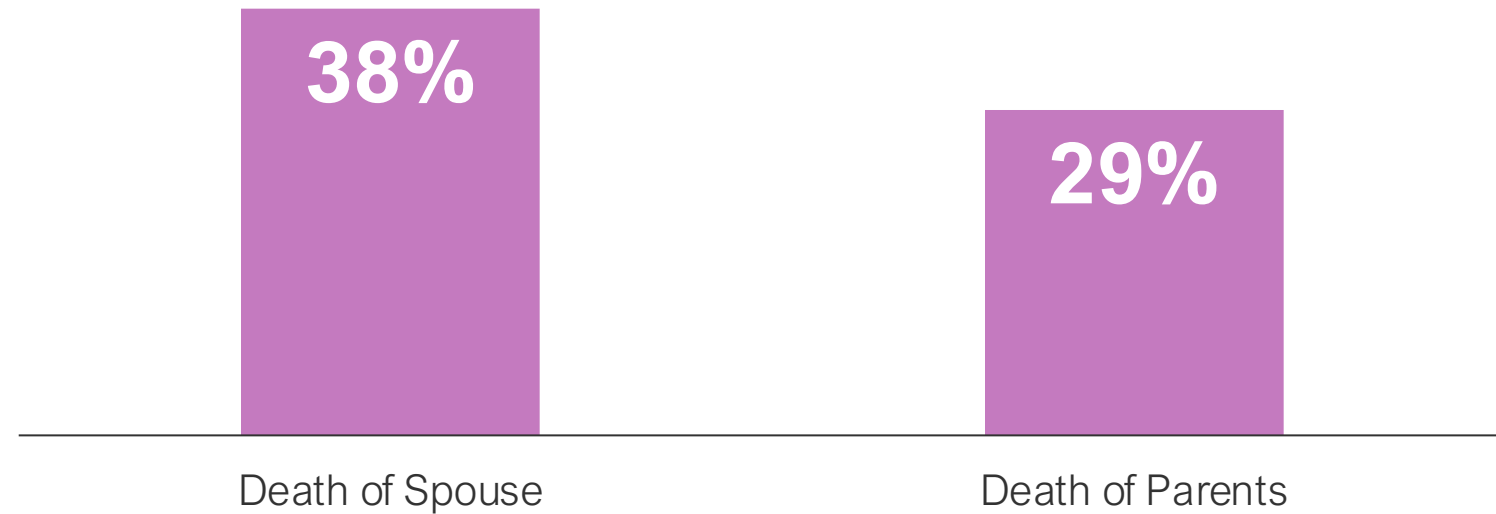
20,000 estates, worth more than \$20 million each, are transferred every year.²

Source: ¹Charitable Gift Planners Org. 9/27/22; ²Diane Doolin, Institute for Preparing Heirs

Risks

Advisor Retention

**Asset
Attrition:**
the greatest risk to your
business



Source: 2015 State Street Global Advisors



To succeed as a
Legacy Wealth Manager:

Recognize the important influence
an individual's generation has on
their perspective.



GENERATION

Greatest

YEARS

Before 1946

NUMBERS

75M

WAR

WWII

VALUES

Strong sense of civic duty

AFFECT ON CULTURE

The Great Depression

MARRIAGE

For life

WORK

Employer loyalty

AS CLIENTS

Advisor relationship is critical

INVESTMENT STYLE

Conservative

FINANCES

No debt

COMMUNICATION

Interpersonal

RETIREMENT

Multiple sources, richest

MUSIC

Big Band/Swing



GENERATION

Baby Boomers



YEARS

1946–1964

NUMBERS

80M

WAR

Vietnam

VALUES

Free love and non-violence

AFFECT ON CULTURE

Civil Rights

MARRIAGE

WORK

Work hard today for tomorrow

AS CLIENTS

Advisors are experts

INVESTMENT STYLE

Concerned with taxes

FINANCES

Wealthiest generation

COMMUNICATION

Face to face

RETIREMENT

Actively focused

MUSIC

Rock n Roll



GENERATION	X
YEARS	1965–1980
NUMBERS	60M
WAR	
VALUES	<i>Positive, self centered</i>
AFFECT ON CULTURE	<i>Distrust of institutions</i>
MARRIAGE	<i>Cohabitate</i>
WORK	<i>Career-focused</i>
AS CLIENTS	<i>Advisors are resources</i>
INVESTMENT STYLE	<i>Personalized</i>
FINANCES	<i>Great Recession by products</i>
COMMUNICATION	<i>Direct</i>
RETIREMENT	<i>N/A</i>
MUSIC	<i>Punk/Alternative</i>



GENERATION

Y/ Millennial

YEARS

1981–2000

NUMBERS

80M

WAR

9/11

VALUES

Global change

AFFECT ON CULTURE

Influential to elders

MARRIAGE

WORK

AS CLIENTS

No buy in

INVESTMENT STYLE

Short term

FINANCES

Philanthropic, student loans

COMMUNICATION

Autonomous

RETIREMENT

N/A

MUSIC

Rap/Indie

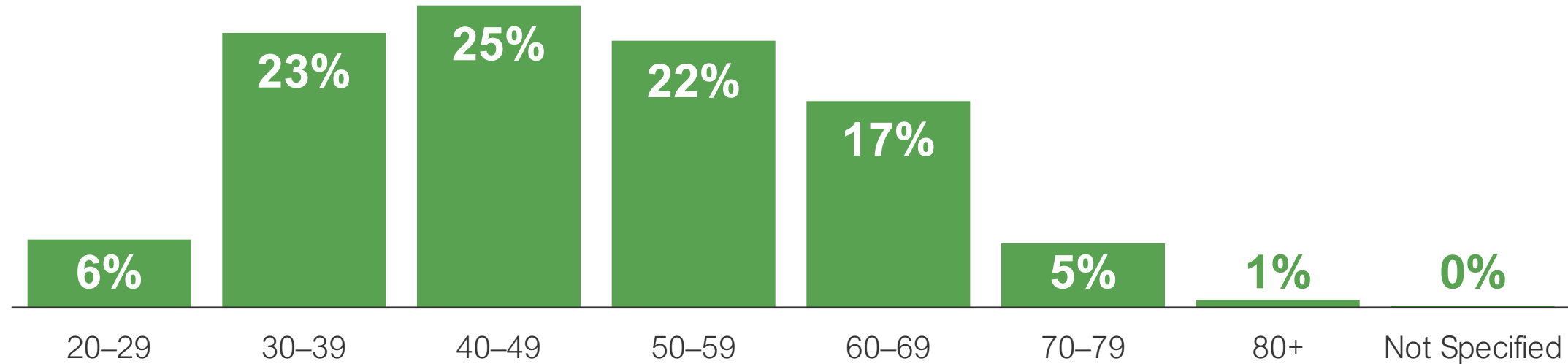




To succeed as a
Legacy Wealth Manager:

Develop the right team.

Certified Financial Planner (CFP[®]) by Age



Source: CFP Board of Standards, 2021

Certified Financial Planner (CFP[®]) by Gender



76% Men



24% Women

Source: CFP Board of Standards, 2023

At its most fundamental level, to be credible with
gender diversified, multi-generational families,
your team needs to be

**gender diversified and
multi-generational.**

A diverse group of people of various ages and ethnicities are smiling and laughing together outdoors. In the foreground, a man in a blue shirt is seen from the back, holding a camera up to take a photo of the group. The group includes an older man in a plaid shirt, a woman in a denim jacket, a man in a red t-shirt, and several younger people. They are all looking towards the camera or each other with joyful expressions. The background shows a building with a window and some greenery.

To succeed as a
Legacy Wealth Manager:

Understand the challenges of
working within family systems.

Successful Wealth Transitions

TOTAL FAMILY
INVOLVEMENT
(spouses and bloodline)

- Communication
- Openness
- Trust

A PROCESS THAT
INTEGRATES WHAT THE
FAMILY MEMBERS LEARN
TOGETHER

- Accountability
- Team consensus building
- Articulating and sharing values

THE LEARNING AND
PRACTICING (in family
situations) OF THESE SKILLS

- Unifying behind a common mission

Solve
**High-Net-
Worth**

client problems

- Spending
- Bad investments
- Failure to prepare heirs
- Death
- Dilution (“generational algebra”)
- Divorce
- Taxes



To succeed as a
Legacy Wealth Manager:

Acknowledge that your clients
believe their legacy is much
more than financial.

What Clients Want to Pass on



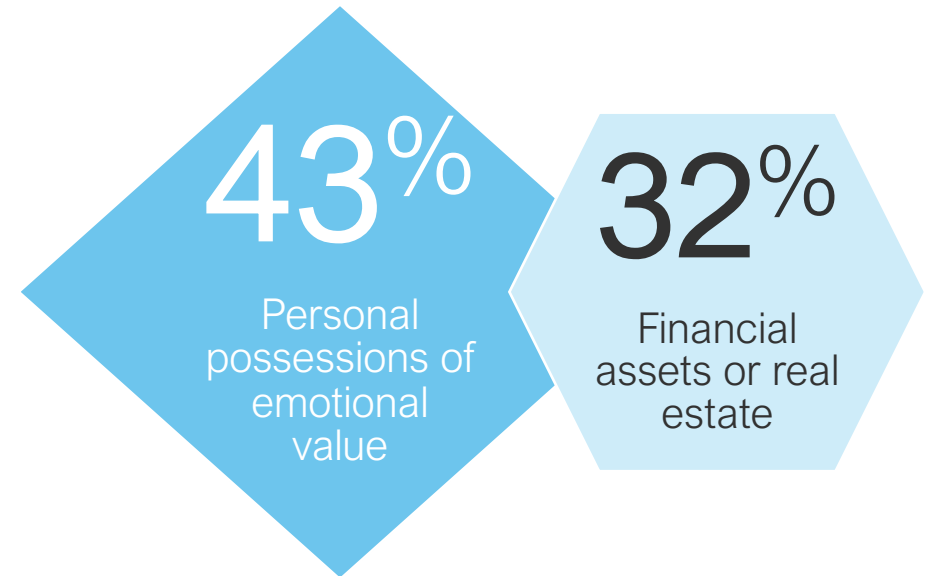
Source: Age Wave, "The Four Pillars of Legacy"

What Clients Want to Pass on



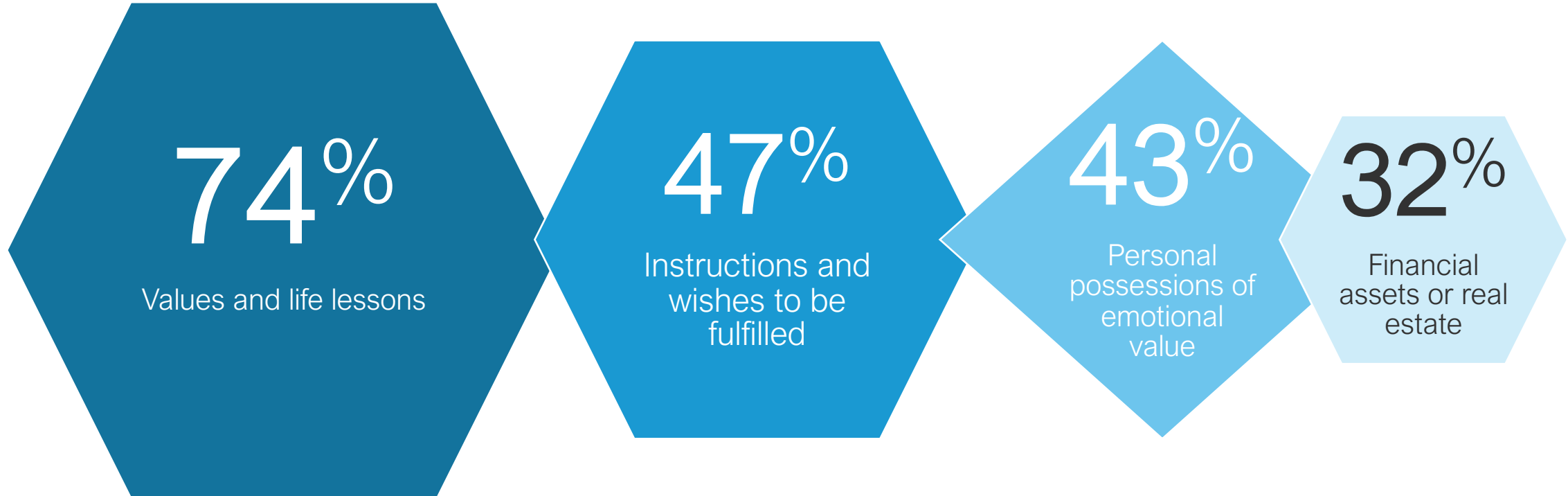
Source: Age Wave, "The Four Pillars of Legacy"

What Clients Want to Pass on




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What Clients Want to Pass on



Source: Age Wave, "The Four Pillars of Legacy"



To succeed as a
Legacy Wealth Manager:

Adopt a client experience and
tools that differentiate you from
other advisory practices.

Family Tree

- Provides insight into client influences like ethnicity and culture that are often invisible
- Conveys a visual representation of family relationships
- Identifies the people who will be involved in family meetings

Ethical Will

- The voice of the heart
- Personal values, life stories and the lessons from the author's life to current and future generations
- A legacy more valuable and lasting than "stuff"
- Familylegacyletter.com

The Family Meeting

- Encourages families to work together by creating a vision for capitalizing and managing the family's capital.
- Activities for all ages.
- Facilitated by a 3rd party – family psychologist or professional facilitator.

Philanthropy

- Provides an opportunity to establish a legacy that lasts for generations.
- Your involvement in these activities:
 - Differentiate your practice
 - Connect you to the entire family
 - Ensure you remain the primary advisor

A photograph of a forest with a dirt path leading through trees. The path is made of gravel and dirt, and the trees are mostly birches with white bark. The scene is lit with natural sunlight, creating shadows on the path.

“If the path before you is clear,
you’re probably on someone else’s.”

Joseph Campbell

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