

Checklist for Long Term Family Wealth Planning

- Build Wealth as a Family for your Great-Grandchildren

Start communicating		
<input type="checkbox"/>	Find a family 'champion' to lead the way to 100 year family planning.	<ul style="list-style-type: none"> Find someone who is eager to implement the planning and has appropriate leadership and people management skills.
<input type="checkbox"/>	Get your family act together.	<ul style="list-style-type: none"> Define family - Define current family members to include in the group that will set up the long term plan. Establish communications channels (meetings, web sites, etc). Meet Across generations . Discuss and document your collective definition of wealth (what is important to the family units and members). Talk about money and legacy – how do current members and units view family money (spend it or be a guardian), is there a family legacy and if so, what is it?
Decide to embark on a family venture		
<input type="checkbox"/>	Educate/discuss theories and possibilities with current family members.	<ul style="list-style-type: none"> Possibilities include, but aren't limited to: start a business together, pool money for passive investments, only pool non-financial resources, start a family website, educational program and etc.
<input type="checkbox"/>	Decide if family members want to start (or maintain/change) a long term initiative with each other.	<ul style="list-style-type: none"> After learning about theories and possibilities, decide as a family if you really want to undertake a long term plan or other initiative together.
<input type="checkbox"/>	Decide what goals or initiative(s) the family wants to undertake and why.	<ul style="list-style-type: none"> Decide how much involvement is desired between family units.

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		<ul style="list-style-type: none"> • Document options discussed - even if discarded. • Write a full description of chosen goals or initiatives with reasons to do them.
	Do prep work to organize the family	
<input type="checkbox"/>	Share and document family histories & stories to understand each other.	<ul style="list-style-type: none"> • Derive past legacies from histories to help you agree on a future legacy.
<input type="checkbox"/>	Identify family culture & future family legacy to identify where your family wants to go.	<ul style="list-style-type: none"> • Identify family member's core competencies and values as a group. • Discuss the past family history/legacy you found. • Decide which legacies or characteristics the group wants to drop and which to carry forward as the future family legacy.
<input type="checkbox"/>	Discuss, agree on and document shared family values so your family group can move in a united direction.	
<input type="checkbox"/>	Brainstorm and agree on money/asset strategies so everyone is clear on where the group stands on money philosophy.	<ul style="list-style-type: none"> • Will there be a shared pool of assets? • What are the purposes of the shared asset pools? • How many pools will there be? • How will the pools be sourced? • How will the assets in the pools be maintained and grown (investments, asset allocations, uses in the family and etc)? • When, how much and why will distributions from the shared pools be made?

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		<ul style="list-style-type: none"> • How will the family allow members to exit from the shared pool of assets? • How will the family group manage different perspectives on being custodians of money for the future or enjoyers of money in the present?
<input type="checkbox"/>	<p>Brainstorm and agree on how your family group will operate to enable implementing the long term plan and/or current initiative.</p>	<ul style="list-style-type: none"> • Will all decisions be made by the entire group? • Who will lead initially? • Will there be sub-groups (such as a family council) to make decisions and perform work? • Who will organize the family meetings? How will they be financed? • What are the expectations for each family member towards the group's activities (participation – active vs passive -, wealth distribution, wealth contributions, decision making, behavior standards and etc)? • How will disputes be resolved? • What will be your guiding principles for things such as family member education, family leadership selection and consequences of not meeting expectations of the family group? • How will your family allow your current decisions and operating modes to change in future generations – what can you put in place to allow this to happen? • How will reporting be done to the larger family group now and in the future (for example, how will activities carried out by sub-groups or members for the benefit of the larger family group be announced to the larger group)? How often will items be reported? • What will be cause for kicking someone out of the family group? • How will family members basic needs be met if they can't do it themselves?
<input type="checkbox"/>	<p>Brainstorm and agree on your family's view of philanthropy</p>	<ul style="list-style-type: none"> • See Four ways to structure your cross generation philanthropic efforts or

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	so it can be included in your long term plans.	Building Your Family Legacy Through Philanthropy – 4 Family Benefits from Giving for some ideas.
	Finalize and formalize decisions	
<input type="checkbox"/>	Write up a Family Agreement to formalize and document your decisions.	<ul style="list-style-type: none"> • Draft in written form the decisions made above. • Discuss, revise and make official. • Develop a mechanism to modify and distribute to all family units.
	Begin operations as a family group	
<input type="checkbox"/>	Implement family governance.	<ul style="list-style-type: none"> • Select the active members for leadership, sub-groups and etc based on the selection criteria defined in your Family Agreement. • Develop a network of advisors to use for the family group's activities (lawyers, accountants, bankers, financial advisers and etc). • Formalize family meeting schedules, rules and leadership rotations.
<input type="checkbox"/>	Pool family unit assets into family group assets.	<ul style="list-style-type: none"> • Determine amount of assets available for shared pools of assets. • Review legal structures and investments for shared pools of assets. • Recommend (to the larger family group) appropriate legal structures and investments for shared pools of assets. • Authorize (through the larger family group, or the designated leaders) the set up of legal structures for shared pools of assets. • Provide funding from specified sources for shared pools of assets (all contributing members). • Fund the investments and the legal structures according to the goals for

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		each pool of assets.
<input type="checkbox"/>	Start your family business.	<ul style="list-style-type: none"> • Use a family member inventory of skills and resources to determine appropriate areas for the business. • Identify and research opportunities for the business. • Follow entrepreneurial guidelines to begin the business. • Begin study of special considerations that family businesses face.
<input type="checkbox"/>	Develop and implement family member training programs.	<ul style="list-style-type: none"> • Develop financial education training programs. • Develop family history and legacy training program. • Develop programs to inform younger and future family members about the Family Agreement the current members made. • Discuss and potentially develop guidelines for future family member training programs and activities (for the time when the family group has grown much larger – you might then need cousin summer camps and etc). • Develop programs and activities to begin leadership training for the next generation, heir preparation and leadership turnover activities. • Develop programs to understand differing expectations in each generation of a long term family.
<input type="checkbox"/>	Align all family unit and individual family member planning documents with the larger family group plan.	<ul style="list-style-type: none"> • Review estate plans, beneficiaries, legal structures and etc of all family members. • Discuss and agree on any changes required to align with the family group long term plan. • Have each family member make the agreed upon changes. • Review when all changes are complete.

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	Implement the long term family plan	
<input type="checkbox"/>	Perform yearly activities.	<ul style="list-style-type: none"> • Organize family group meeting – at least once a year. • Set goals each year. • Review the Family Agreement at least once a year as a group.
<input type="checkbox"/>	Manage family relationships.	<ul style="list-style-type: none"> • Hold members accountable to agreed on participation in activities of the larger group. • Test family's implementation of their agreed upon values (are family members doing what is needed to meet the value objectives?). • Maintain family relationships outside of the business, pooled assets and long term plan items. • Support the family group leader. • Optimize individual family member lives. • Treat the family group as a business. • Celebrate life passages - welcome new family members, have coming of age traditions, involve aunts and uncles with children.
<input type="checkbox"/>	Take care of ongoing business.	<ul style="list-style-type: none"> • Meet as sub groups to work towards goals. • Measure and evaluate - measure leadership performance, adviser performance, heir readiness, asset growth, goals met and other pertinent metrics. • Manage the family's financial pooled assets. • Utilize and add to all communication channels (use web sites, conference

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		<p>calls, reports, memos, family letters, family meetings and notes/perform record keeping and reporting on specified periodic basis).</p> <ul style="list-style-type: none"> • Practice risk identification and risk response (watch for risks to continuity of family culture and legacy, risks to family relationships, risks to next generation members due to wealth and etc). • Understand and manage financial risks and impacts (some risks to consider are: taxes, geographic diversification, by industry &, by size diversification, allocation between generations (growth assets to the younger members, educational funds, etc)).
<input type="checkbox"/>	Work with family group advisers to implement needed entities, investments and etc.	
<input type="checkbox"/>	Develop and implement philanthropic entities or activities agreed upon.	<ul style="list-style-type: none"> • Use as a training ground for younger members, grandparent/grandchild bonding.
<input type="checkbox"/>	Periodically evaluate the need for more advanced family services.	<ul style="list-style-type: none"> • Examples include managed funds, private banks, family offices, security services, etc.
<input type="checkbox"/>	Develop the family business (if there is one).	
<input type="checkbox"/>	Provide continued education on wealth, wealth management, wealth issues, wealth responsibilities and entrepreneurship.	<ul style="list-style-type: none"> • Mentor each other and the next generations.