

DYNAMICS OF
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FAMILY WEALTH



How Do I Talk to My Heirs About Their Inheritance...

AS WELL AS MY, AND THEIR, HOPES AND DREAMS?

IT IS ANTICIPATED THAT OVER \$12 TRILLION IN FINANCIAL AND NON-FINANCIAL ASSETS IS CHANGING HANDS...MOVING FROM THE GREATEST GENERATION (BORN 1920-1930) TO THE BABY BOOMERS (BORN 1946-1964). OVER THE NEXT 30-40 YEARS IN NORTH AMERICA ALONE, AN ADDITIONAL \$30 TRILLION IN ASSETS WILL PASS FROM BOOMERS TO THEIR HEIRS. BETWEEN 2031 AND 2045, WHEN THE TRANSFER REACHES ITS PEAK, 10% OF TOTAL WEALTH IN THE US WILL BE CHANGING HANDS EVERY FIVE YEARS. (ACCENTURE, JULY 2012)

Are you and your heirs ready to receive this? Will this inheritance truly be an inspirational gift, or simply a transfer of wealth?

Gift? Transfer? What are we talking about?

Imagine that something that felt like a meteor landed on your house. How does it feel? Hot...frightening...scary... a desire to run as far away as quickly

as possible...curious as to what it is...fascinated that you're still alive, yet knowing that your life has been inalterably changed.

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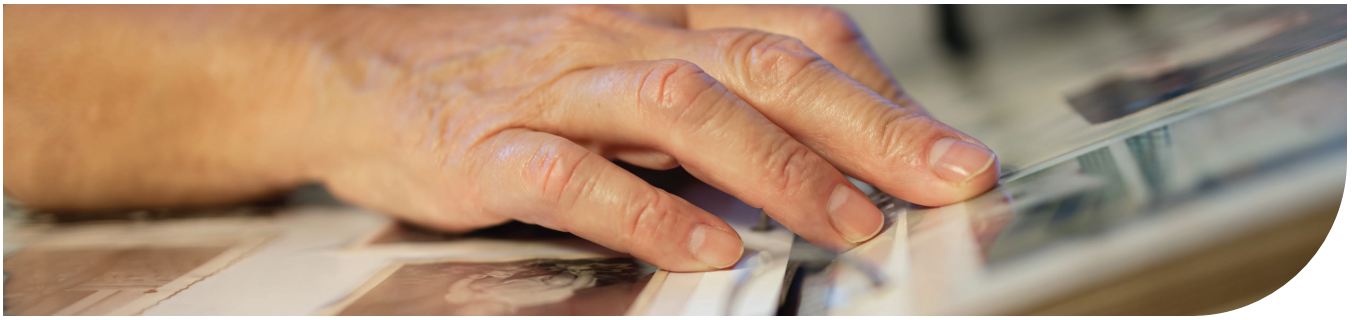
Ginni Galicinao

ACFBA, ACFWA, CAP, CPCC, ORSC

Chief Learning Officer
Family Dynamics & Family
Enterprise Consultant

dynamicsfamilywealth.com

ginni@dynamicsfamilywealth.com



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Now imagine that the meteor is composed of money...lots of money... or lots of valuable land or several big houses. And like the previous meteor, it came with no warning, no instruction, or possibly vague implications of what you're "supposed" to do with it.

How similar are your feelings? Might you feel confused and befuddled about what to do? You may be intrigued and excited to have this wonderful story to tell and largess to spend and share; yet, unclear how much to tell or spend, and with whom to share it. Or, might you feel heavy and overly burdened with a sense of responsibility that you don't quite understand? Yes, all of those emotions and thoughts are possible, and probably more.

Now, what if you are the bestower of that "gift," unintentionally turned meteor/transfer? What had been "your" dream for the recipient? Surely, you didn't intend harm or angst. What had you really wanted to communicate? What were your hopes and dreams for both you and the recipient?

If you were the recipient of such a meteor/transfer, pause for a moment and ask yourself: How did it land? How did you integrate it into your life? Were you resilient? Were you able to rebound from such an impact? And, what would you prefer to have heard so that it was received as an inspirational gift, instead of landing like a meteor?

Unfortunately, too often recipients of large gifts (i.e., transfers) were either unadvised and/or unprepared for the magnitude of responsibility associated

with the purported "gift." What are you doing to ensure that your gift will have the anticipated impact and hoped-for response?

In a 2011 US Trust Insights on Wealth Study, they found that 52% of respondents have not fully disclosed their wealth to their children, 15% have disclosed nothing about the family's wealth to their children, and 50% have never discussed ways of teaching children how to handle the emotional aspects of wealth.

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When people do have the courage to have a conversation about family wealth, too often the focus is on the quantity of money and the structures being created rather than intentions and dreams of those involved. What if you had the ability to create conversations that open up meaningful, long-term discussions that move both you and your heirs towards freedom, independence, and inspiration?

How would that feel? Are you ready to take the steps to have such a conversation? Let us help you craft your message and turn these crucial conversations into thoughtful and meaningful discussions.

Next week we'll discuss what steps you can take to turn your potential meteor into a true gift...for both you and the recipient.