

The Wealth Preservation and Legacy Conversation:

A Professional Guide



What you can expect from this guide:

Decades of experience, research and data clearly demonstrate that many successful families seek to define, protect, communicate and perpetuate core values, family unity, traditions, philanthropy, valuable life experiences and develop shared stewardship.

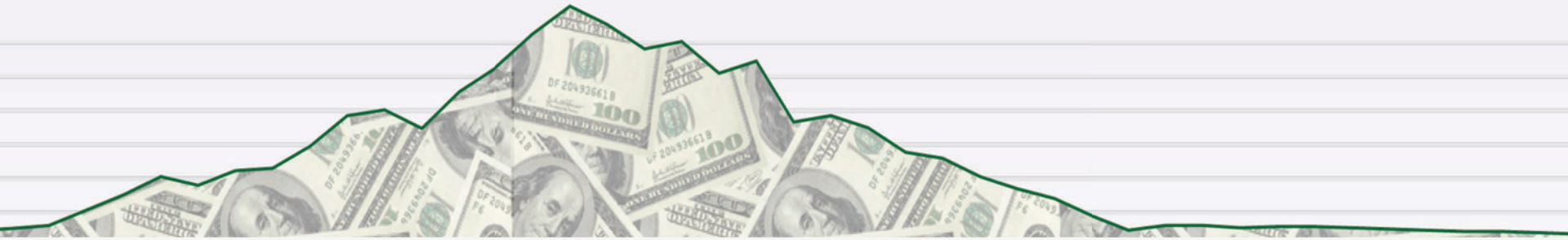
This guide will:

- Provide relevant research and data that demonstrates the age-old problem of wealth transfer failure
- Provide relevant research and data that demonstrates the true threat to your financial wealth and family
- Present key considerations and questions to ask
- Explain what your family can do to mitigate the 91% wealth transfer failure rate

The age-old problem of wealth transfer

RAGS TO RICHES TO RAGS

in Three Generations.



First Generation

Begins with little financial wealth, but creates financial wealth and enjoys success.

Second Generation

Receives a top-flight education and enjoys the material benefits of the family's financial wealth, usually accompanied by family discord.

Third Generation

Squanders the financial wealth and is forced to create new wealth from almost nothing, as did the first generation.

This has been true for generations,
across countries with radically different economies,
political structures, and tax structures.

This generational challenge has generated
some global sayings, such as:

“Clogs to clogs in three generations.” *UK*

“Wealth dies in three generations” *Southern Europe*

“Shirtsleeves to shirtsleeves in three generations.” *US*

“Wealth never survives three generations.” *China*



Please consider the following data:

70% of all wealth transfers fail in **one generation**.

91% of all wealth transfers fail in **two generations**.

97% of all wealth transfers fail in **three generations**.

For Love and Money, Roy Williams

What is the definition of “fail”?

Financial security is dissipated.

Intangible assets are slowly forgotten.

The family unit is fractured.



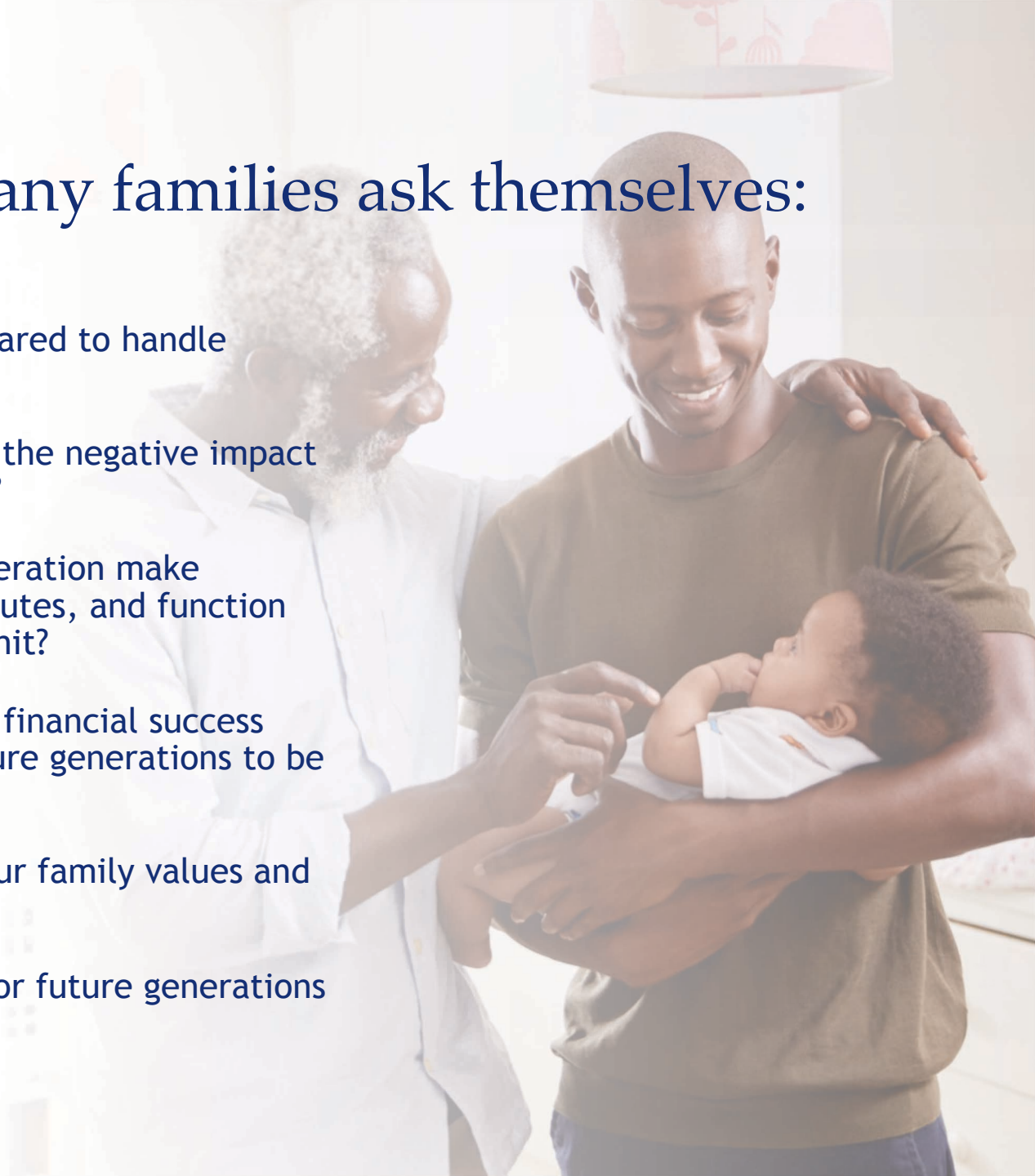
Reasons for failure are surprising to many families

- 1 Lack of “meaningful” communication
- 2 Attitude of entitlement more than gratitude
- 3 Lack of a shared family vision
- 4 Lack of formal structure and process
- 5 Ignoring intangible assets
- 6 Trust and transparency have slowly eroded



As a result, many families ask themselves:

1. Are my/our heirs prepared to handle wealth?
2. Am I concerned about the negative impact of wealth on my heirs?
3. How will the next generation make decisions, resolve disputes, and function together as a family unit?
4. Are we concerned our financial success will disincentivize future generations to be self-sufficient?
5. How can we express our family values and mission?
6. How much is enough for future generations to inherit?



The true threat to your
wealth and family:
perception vs. reality

Perception of the largest threats to your family and wealth:

37% investment/asset specific risks

Spending risks, business risks, timing risks, portfolio risk, manager risk, style risks

26% economy and financial markets risk

Economic downturn, inflation, deflation, energy costs, liquidity availability

16% tax and political risks

Higher personal income taxes and estate taxes, legal liability risks

Only 7% of the perceived risk is family dynamics, communication, and lack of a shared purpose.

Poor family communication, engaging the next generation, governance issues

Source: Family Office Exchange

Reality of the largest threat to your family and wealth

60% of failure is due to a lack of communication and trust within the family around group decision making, shared purpose, education and governance.

25% of failure is due to unprepared/disengaged heirs.

Only 3% of failure is due to failures in financial planning, taxes and investments!

Source: Williams and Pressier

76% difference between perception and reality

Perception: 79% of risk is perceived to be financially related.

Reality: Only 3% is financially related.

85% of wealth transfer failure is not financially related

Sources: Williams and Pressier,
Family Office Exchange

How to ensure family
wealth preservation and
an impactful legacy

Build strong family roots

How is it that the giant redwood can grow to such heights? It is not the individual root system of each tree, but rather the interdependence of the roots of many generations, from old growth to the newest seedlings, that supports the family of trees as they reach the sky.

A critical aspect of building strong family roots is providing the proper environment, structure and process to spark meaningful communication among multiple generations of successful families.



More Than Money™

Technology for Empowering Families

Challenges confronting many families:

Being reactive, not proactive:

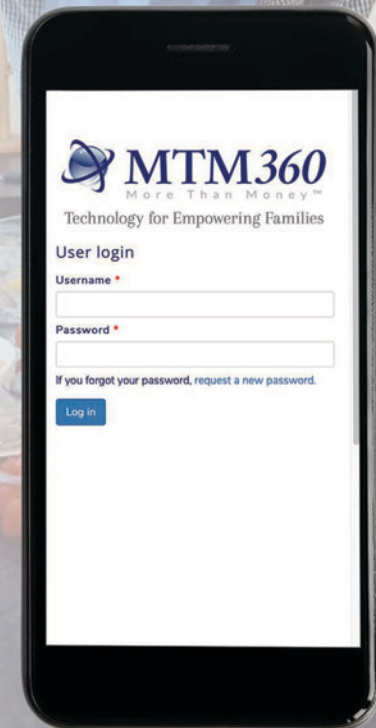
Many families do not fully understand the ramifications of wealth transfer failure and that being proactive will mitigate this risk. Don't wait for a problem to arise.

Time constraints:

Families are busier and more fragmented than ever.
Too much to do in too little time.

Distance:

Families are becoming more geographically dispersed and meeting in person can be a significant challenge.



This all makes sense, but...

“We are really busy and travel a lot”:

MTM360™ is completed in monthly 30-minute meetings, that's it: 30 minutes per month.

“It's really difficult to get us all in the same place”:

The 30-minute meetings are done online, not in person, thus supporting geographically diverse and on the go families.

“It's all intangible, is there a deliverable?”:

Yes, every step of the process will be protected in your centralized, organized and customized MTM360™ digital system.

Learn more at www.MoreThanMoney360.com



How to get started:

Recognize the true threat:

Mission accomplished! You now are better educated on the true wealth transfer risks and how to defeat the perception versus reality.

Be proactive:

Data and research clearly indicate the families that act proactively enjoy greater success than families who are reacting to a problem. Few topics are as meaningful or impactful on the multi-generational success of your family; the sooner you start, the better the results.

Take the first step:

A comprehensive legacy and governance assessment, usually completed by a professional advisor. Email Shawn@MTM-360.com to receive the 40-question digital MTM360™ assessment.

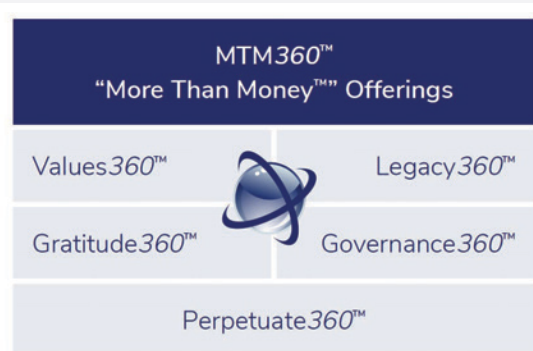


MORE THAN MONEY™

MTM360™ provides an advisor-guided roadmap for your client's family to define, protect, perpetuate and communicate core values, family legacy, traditions, philanthropy and impactful life experiences while strengthening family unity.

The answer to a family's true wealth is not "more money" but rather "More Than Money™."

MTM360™ offers the only digital system providing a simple, elegant and effective Family Dashboard, comprehensive assessment, and a structured process completed in 30-minute consultations every 4-6 weeks.



MTM360™ allows your client's family to follow a process...and do it digitally.

MTM360™ provides your client's family with the following benefits:

1. Define, perpetuate core values, family legacy and life experiences
2. Mitigate the 91% wealth-transfer failure rate
3. Engage multiple generations of the family
4. Create a shared philanthropic vision
5. Increase meaningful communication
6. Strengthen family unity
7. Enhance the "purpose" of their financial wealth
8. Intuitive client dashboard
9. Comprehensive system served in bite-sized pieces
10. Guided, time-efficient web-based tools completed in 30 minutes or less

Please visit MoreThanMoney360.com for more information.

MTM360™ At-A-Glance

MTM360™ OFFERINGS	EXPECTED OUTCOMES	DELIVERABLES
Values360™	<ul style="list-style-type: none"> • Improve communication • Identify individual core values • Identify shared family core values • Strengthen family unity • Establish a clear vision for your client's family • Write a statement about what matters most 	<ul style="list-style-type: none"> • Communication Style Identifier • Individual Core Values • Statement of Values • Shared Core Values • 3 Year Vision
	Preparing Heirs Family Alignment Day	Family Forum - Values360™
Gratitude360™	<ul style="list-style-type: none"> • Define what gratitude means to your client • Identify intangible talents to benefit philanthropic vision • Communicate “who” your client gives to and “why” it's important • Measure the impact of your client's philanthropy 	<ul style="list-style-type: none"> • Gratitude Defined • Active Gratitude • Individual Charitable Vision • Shared Charitable Vision • Philanthropic Impact Report
	Preparing Heirs Family Alignment Day	Family Forum - Gratitude360™
Legacy360™	<ul style="list-style-type: none"> • What will the family be known for • Alignment with values • Empower heirs • Integrate core values with existing professional plans • Create a shared legacy mission statement 	<ul style="list-style-type: none"> • Individual Legacy Defined • Family Legacy Mission Statement • Investment Integration • Insurance Integration • Estate Plan Integration
	Preparing Heirs Family Alignment Day	Family Forum - Legacy360™
Governance360™	<ul style="list-style-type: none"> • Create structure for all family members to participate in important decisions • Create structures to perpetuate multi-generational success • Encourage positive behaviors consistent with the family legacy • Write a governing document 	<ul style="list-style-type: none"> • Leadership Style Identifier • Family Advisory Board • Family Constitution • 100 Year Vision • Family Advancement & Sustainability Trust (FAST)
	Preparing Heirs Family Alignment Day	Family Forum - Governance360™
ADDITIONAL OFFERING	EXPECTED OUTCOME	DELIVERABLE
Perpetuate360™	Maintain and continue focus on “More Than Money™” legacy and mitigating the risk of wealth transfer failure	Customized for each family at the time of engagement, based on their needs and goals at the time