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The Intergenerational Divide:

A BRIDGE TO THE NEXT GENERATION



This brochure along with the associated client-approved tools and resources are designed to provide you with new ideas and insights on connecting with the future generations of your most valued clients.

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INTRODUCTION



As your clients age, they will begin to consider the time when they will transfer their assets to their family, loved ones or charity.

Most clients want their wealth to last for as long as possible, and for it to directly benefit their children, grandchildren, loved ones or causes near and dear to their heart. Planning and communicating during their lifetime will ensure that their heirs or beneficiaries respect and appreciate their goals and are prepared for the roles they may be asked to play in the future.

As your client's trusted Financial Professional, you have the opportunity to serve a critical role in the planning process. You can help your older clients visualize the next chapter, involve their family members or those close to them and be a valuable resource. While it may not be realistic to offer this level of service to every client, if you avoid or delay having these important planning conversations with your most valued clients, you are putting your practice at risk. Unless you have a good relationship with the spouse/partner, other family members, loved ones or heirs, it will be very difficult for you to maintain the assets once your clients have passed on.

The research is hard to ignore. Women are more likely to outlive their husbands. A woman's average life expectancy is 81 years, 5 years greater than her male counterpart.¹

Among older couples, the wife may not have played an active role in the investment relationship. In some cases, the spouse may not have been interested in investing, the husband may have been the primary decision maker or the Financial Professional may not have had the opportunity to bond with the spouse.

Currently, the research is contradictory on the relationship between a Financial Professional and the spouse/partner. While some studies show that 70% of women whose spouses die change their Financial Professional within 12 months,² other research claims that is not the case. What is clear is that establishing good communication, and understanding the needs and motivations of both spouses, will be critical to retaining assets. Taking it a step further and building a bridge to the next generation will increase your odds of success. What can you do to strengthen the ties with your clients' families?

Begin by focusing on comprehensive wealth management for your clients, their families and other heirs. By doing that, you can surface issues and topics, make connections and assist in the planning steps that will benefit your clients while they are alive, and impact their families and loved ones for generations to come.

¹ Centers for Disease Control, National Vital Health Statistics: Life Expectancy, 2016

² Ruth Ackerman, Investment News, Women & investing: Why many advisers are missing out, April 8, 2012



The challenge

The challenge is to avoid having your book die along with your clients — by building meaningful relationships with spouses/partners and heirs long before mortality is an issue.

The opportunity

Position yourself as a trusted Financial Professional to the entire family — someone who already understands their needs and has the knowledge, connections and capabilities to address them.

One of the best ways to achieve this is by bringing the family together, advocating for open dialogue and building the kind of relationships that will survive the death of the client.

How we can help

The Intergenerational Divide: Don't Let Your Book Die with Your Clients is designed to provide you with tactical tools and communication guidelines to allow you to connect with spouse/partners and the next generation. By facilitating communications, you can increase your likelihood of retaining assets and maintaining relationships with the family.

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When assets “pass on” along with the client...

From client to spouse

Charlie and Betty were like many senior couples. Betty was a stay-at-home wife, and Charlie made all the investment decisions along with his Financial Professional, John. The four accounts John was managing totaled \$3 million. Betty had interacted with John briefly while attending events. However, she always smiled and deferred to Charlie when financial topics were addressed. When Charlie died, Betty turned to her daughter Colleen, a CPA, for advice. Not only had John never met Colleen, but Colleen had her own Financial Professional at another firm. Just weeks after Charlie's death, John got the dreaded call from Betty. Betty said, “John, I am sorry to tell you that Charlie has passed away and I am just too upset right now to deal with our finances. My daughter is a CPA, so I've asked her to get involved. Please transfer our assets to her account at XYZ firm. Here are the instructions...”

From spouse to heirs

Since her husband Frank's death nine years ago, Helen was quite comfortable leaving all the managers election decisions for their \$1.5 million nest egg to her Financial Professional, Anne. Helen was an appreciative client for whom Anne always went the extra mile. When Helen died, Anne attended the funeral. Weeks later, she was stunned to learn that the assets were being wired to a local trust company to fulfill Frank's original instructions.

Stories like these illustrate how easily and unexpectedly assets can pass out of your hands. That is why it is in your interest to facilitate dialogue and build relationships with the families, loved ones and heirs of your most valued clients.

TOOLS AND RESOURCES



When you discuss planning and transitioning assets with your clients, you can expect a wide range of reactions; each family is different.

The first step is understanding the unique family dynamics and building relationships within the family network.

Developing a complete understanding of the key relationships, assets, beneficiaries and other personal information can establish you as the “go-to” person for guidance and expertise.

We created the client-approved tools and resources outlined in the next section to aid you in this process and for your clients to organize their personal and financial information. The materials on key roles and responsibilities can prepare your clients for their first visit with an attorney, or they can be used at a family meeting to explain your clients’ future plans and intentions.

Your clients' personal information

Having personal, financial, medical and emergency contact information organized and in a central place will aid family members who need to access these details in the case of an emergency, major illness or death.

The tools outlined below are for you to share with your clients. Your clients will complete this information and may provide copies to you where/when appropriate (e.g., the Beneficiary Audit worksheet). These resources should be positioned as valuable documents for getting your clients started on their planning process.

A thumbnail image of the 'Personal information checklist' form. It features the Franklin Templeton logo at the top left. The form includes a checklist of items to verify, such as 'Do you have a single place to find and access all of your personal, family, medical, financial, insurance and contact information?' and 'Do you have a single place to find and access all of your personal, family, medical, financial, insurance and contact information?'. There are checkboxes for 'Yes' and 'No' and a section for 'Comments'.

Personal information checklist

In the case of an emergency or untimely death, do your clients have a single place to find and access all of their personal, family, medical, financial, insurance and contact information? The personal information checklist presents these details in a comprehensive way for loved ones or friends to access in their absence.

A thumbnail image of the 'Beneficiary audit worksheet' form. It features the Franklin Templeton logo at the top left. The form includes a section for 'Why you need to audit your beneficiary designations' and a table for recording beneficiary information for various accounts. The table has columns for 'Account type', 'Beneficiary name', 'Relationship', 'Percentage', and 'Comments'.

Beneficiary audit worksheet

If your clients have not checked their beneficiary designations lately, they could be surprised. Old designations may have been made obsolete due to marriage, divorce, birth of children or the death of loved ones. Designations on certain types of accounts take precedence over the will in determining how the assets will be distributed. It may be time for a beneficiary audit of each of their accounts that name separate beneficiaries. This could also be an opportunity for you as a Financial Professional to ask about assets held outside of your firm.

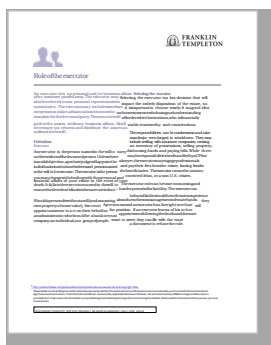
A thumbnail image of the 'Emergency contact information' form. It features the Franklin Templeton logo at the top left. The form includes a section for 'Emergency contacts' with fields for 'Name', 'Relationship', 'Phone number', and 'Email address'. There is also a section for 'Emergency instructions'.

Emergency contact information

Whom should be contacted in the case of an emergency? Whether a tree falls on your client's house while they are traveling abroad, or a neighbor alerts their loved ones to a burglar alarm, your client's family may need to reach their key service providers and act quickly on their behalf.

Key roles and responsibilities

As part of the planning process, it is critical for your clients to consider who will take on key roles and responsibilities in the event your client cannot act on his/her own. We have designed brief overviews that define the fiduciary roles your clients will need to assign as part of the planning process.



Role of the executor

The role of the executor is to carry out the wishes of the deceased person. The executor is the person charged with dealing with the personal and financial affairs of the estate. Upon death, it falls to the executor named in the will to ensure the decedent's final wishes are carried out.



Role of the trustee

The trustee assumes legal ownership of property funding a trust, which could be cash, securities, real estate or other property. The trustee is required by law to act in a fiduciary capacity to execute the trust for the benefit of the trust's beneficiaries.



Role of the corporate trustee

A bank or trust company may be appointed to act in a fiduciary capacity to execute a trust.



Role of the power of attorney

The Power of Attorney is the authorization that provides legal permission to act on behalf of another person. Typically appropriate when someone else is needed to act on one's behalf, or where someone is absent or incapacitated. Without a power of attorney, the loved ones may have to go to court to get the authority to handle the affairs of their incapacitated loved one.



Role of the advance health care directive

The advance health care directive is the document for making health care decisions in the event a person becomes unable to make those decisions. There are two types of advance directives. A living will spells out what types of medical treatment a person wants if unable to speak for themselves. A health care power of attorney appoints someone to make health care decisions on the person's behalf.



Role of the guardian

A guardian is a person designated to act on behalf of someone who needs a representative to oversee their personal affairs or finances, such as a minor child or an older person incapacitated by health problems. A guardian may be appointed by a judge or named in a will.

FAMILY MEETINGS — FACILITATING DIALOGUE



Why a family meeting?

As the key advisor to the older generation, the keeper of the family financial history and the overseer of assets, you hold a crucial but potentially unseen role to the family members in the next generation. In order for the rest of the family members to have a sense of the older generation's regard for your counsel, you need to meet them. An in-person family meeting is an effective springboard for building relationships with the next generation of family members.

A family meeting provides a forum for your clients to share their intentions, plans and vision for the future with their family and heirs. As a Financial Professional, you have a prominent role in facilitating this meeting and in helping families connect on matters that are critically important to their futures.

The purpose of the family meeting is to encourage transparency and build communication and trust. Your clients can explain how and why decisions have been made and experience their heirs' reactions in real time. Family meetings can be held on multiple occasions to address a variety of topics. A family meeting is so powerful that many times, family members can remember the voice of a loved one expressing their wishes long after they are gone.

Time and place

Adult children may live far from their parents and coordinating schedules can be a challenge. Allow plenty of time to schedule a family meeting. It is preferable to select a location away from the client's home. Ideally, the meeting would be held in a "neutral" location such as a hotel, conference center or a restaurant or club with a private room.

This lets everyone approach the business at hand without the ghosts of the past getting in the way. A weekend or offsite meeting may be appropriate to enable the family to mix business and pleasure, particularly if the family needs a central location to meet. Don't let the location be a roadblock; family business can be productively discussed at your office as well as at a private club. You should also consider using video conferencing or teleconferencing to include any family members who cannot attend in person.

As the facilitator, you will schedule the meeting and set the agenda. The first family meeting can be organized around informing the family about key decisions the client(s) has made. Later, additional family meetings can be held on a variety of topics, depending on the interests of the family. On the following pages, we offer you four different approaches to the family meeting, including sample meeting agendas, facilitation tips and sample opening scripts.

Positioning the family meeting with your client

In a conversation with your client(s), you can position the family meeting as an essential step to getting everyone on the same page. In the family meeting, they will gather their loved ones to talk about issues and topics of consequence to the family. Your clients will want to introduce you as the family's trusted Financial Professional. You and your client(s) can field any questions family members may have. You should forewarn your client(s) that the absence of effective and honest family communication could lead to conflict and significant strain on family dynamics in the future.

Here are a few ideas on how to raise the topic of having a family meeting:

Sample script #1

When it comes to making decisions and plans about the future that impact you and your loved ones, communication is key. Gathering your loved ones around a table or in the same room is the best way to communicate directly with them about the plans you've made. They can hear your perspective, learn of the decisions you have made, ask any questions and raise concerns they may have right away. In this setting, you can address any family dynamics and get everyone on the same page about your intentions.

This is also a good way for me (as your Financial Professional) to meet the family members I haven't met and get to know them. This will be invaluable should we need to work together on your behalf in the future. I can facilitate the meeting, prepare the agenda and keep us on track. Then, we can open the floor for discussion and continue the conversation over a meal. If you like the way this initial meeting goes, we can discuss doing other meetings around topics that matter most to you and your family. I have some ideas of other items that you may want to address in the near future.

Sample script #2

Joe, have you considered the value of a family meeting? Many families find it helpful to gather their loved ones together in a casual setting to talk about the plans they've made for the future. In this setting, you could communicate the plans you have made and explain how you came to those decisions.

Everyone will have the chance to raise questions and express concerns. And, if there are certain areas that may be sensitive, you can take time to walk them through your thought process and address any frustrations or objections head-on. The family meeting is also a great way for me to meet your family, so that we are comfortable and can establish a relationship that will benefit us, should we need to work together on your behalf in the future.

SAMPLE FAMILY MEETINGS



Sample family meeting #1: Discussion of plans, intentions and roles and responsibilities

Purpose/Description

The purpose of this meeting is for your clients to communicate to their family and heirs their plans and intentions around the distribution of their assets. A vital part of this will be defining the roles and responsibilities of the various heirs as well as general instructions, including location of key documents, burial wishes and intentions for tangible personal property. This meeting will also serve to set the standards for ongoing communication within the family. If possible, it may be helpful to have your client's attorney present to go over specific documents and as an expert resource should legal questions arise. Please note that the attorney will likely need to be paid their hourly rate for participation in this forum.

Sample agenda

- a. **Introduction**
- b. **Overview of plans and intentions**
- c. **Specific roles and responsibilities**
- d. **General instructions**
 - Location of key documents (personal information checklist and emergency contact information, wills, trusts, power of attorney, etc.)
 - Burial wishes and preferences
 - Intentions for tangible personal property (including pets)
- e. **Open dialogue and Q & A**
- f. **Guidelines for ongoing communication**
 - Frequency of family meetings
 - Frequency of document updates



Facilitation tips

1

As you broach the concept of this meeting, you can assure your clients that the purpose of the meeting is to discuss the clients' plans, intentions and wishes as well as tactical considerations, such as where documents are kept.

Keep in mind that clients often do not want to communicate to their heirs the specific details on their overall assets. This is generally due to a desire for their heirs to lead purposeful and meaningful lives and to not be derailed by the expectation of an inheritance. You can explain to your clients that plans, intentions, and roles and responsibilities can be discussed without disclosing the amount of the actual assets.

2

During the introduction at the meeting, you may state to the heirs that their parent(s) or loved ones expect to live a long time, and the scope of the assets remaining by the end of their lives is unknowable.

This is not the meeting where the heirs will learn how much money they will inherit. That would come after their loved ones have passed away. This is a meeting to cover overall plans, intentions, and roles and responsibilities. Encourage heirs to ask any questions they have so that they have an appropriate level of understanding. Then, when the time comes, they can be ready to assist and not be burdened by uncertainty or confusion.

Sample opening script

This would serve as the introduction to the agenda

"Good morning/Good afternoon/Good evening, I would like to begin by welcoming all of you to today's meeting. We appreciate you taking time out of your busy lives for this important discussion. *(Insert name of client(s))* would like to begin a formal communication process within the family around certain issues related to their plans, hopes and dreams for the family. Let me begin by introducing myself. *(Note: Prepare a concise introduction including your background and your relationship with the client(s).)* Since *(insert name of client(s))* hope and expect to live a long time, the scope of assets remaining at the end of their lives is unknowable. Therefore, this is not a meeting where we will discuss how much money you could potentially inherit.

That discussion will occur after *(insert name of client(s))* have passed away. Instead, this is a meeting to discuss plans, intentions, and roles and responsibilities. We encourage you to ask any questions you may have throughout the meeting because it is critical that everyone has a clear understanding to eliminate any potential for future conflict. Let's take a moment to go over the agenda for today's meeting *(walk attendees through the previous sample agenda)*. *(Note: If the clients want to say something, this would be a great time to make their remarks.)* Before we move on to an overview of plans and intentions, I'd like to take a moment for each of you to introduce yourselves and your relationship to *(insert name of client(s))*."



Sample family meeting #2: Discussion of plans around aging and future housing decisions

Purpose/Description

The purpose of this meeting is for your clients to communicate to their family and heirs their plans around how and where they will live as they age. Note: This discussion assumes you have engaged in this level of planning with your clients, covered the various housing options, and factored the costs of their selections into their financial plan. We encourage you to access our *The Hidden Costs of Aging* brochure for client-approved educational tools and resources. Our tools provide in-depth information on the most popular housing choices available today: aging in place, 55+ independent living communities, continuing care retirement communities, assisted living facilities and

skilled nursing facilities. Ideally, your clients will have made decisions about various housing options, including specific ones they have chosen.

Alternatively, you could structure this family meeting as a brainstorming session regarding future housing needs. Which direction you take will largely depend on your clients' preferences and their current level of preparedness. Most likely, if the planning is done well, your clients will have one, two and possibly three choices they've made, assuming a potential 30-year retirement span, and the changing housing needs associated with each stage of aging.

Sample agenda 1

Assuming decisions have been made

- a. **Introduction**
- b. **Overview of the issue of aging and housing choices**
- c. **Discussion of client's housing choices**
(for each selection, cover the following)
 - Define housing choice
 - Cover rationale
 - Review costs and financial implications
- d. **Conversation around family member support**
 - What are the specific needs?
 - How much time will it take to manage those needs?
 - Who in the family is willing and able to handle these needs?
 - Will there be any damage to family dynamics due to unequal responsibilities?
- e. **Open dialogue and Q & A**
- f. **Determine action steps** (if needed)

Sample agenda 2

Assuming clients want to brainstorm with loved ones before making decisions

- a. **Introduction**
- b. **Overview of the issue of aging and housing choices**
- c. **Discussion of the most popular housing options and their associated costs**
 - Aging in place
 - 55+ independent living communities
 - Continuing care retirement communities (CCRCs)
 - Assisted living facilities
 - Skilled nursing facilities
- d. **Conversation around family member support**
 - What are the specific needs?
 - How much time will it take to manage those needs?
 - Who in the family is willing and able to handle these needs?
 - Will there be any damage to family dynamics due to unequal responsibilities?
- e. **Open dialogue and Q & A**
- f. **Determine action steps** (if needed)



Facilitation tips

1

Any discussion around the family home and where people live can be fraught with emotion. Therefore, you will need to position this topic well and set the stage appropriately.

The goal is for this to be viewed as a positive, proactive discussion around allowing your clients to maintain control and dignity as they age. It is not meant to be morbid or depressing. You are trying to help them get ahead of a potential emergency in the future. In addition, this is a huge opportunity to endear yourself to the next generation, as most people will be thrilled to know that there is a plan, or intent to have a plan, and that you as the Financial Professional are orchestrating the plan. There are many Financial Professionals who tell their clients, “This is not my area of expertise.” This could be a real differentiator for you and your practice.

2

These sample agendas have a significant amount of material to cover, so make sure you are organized and concise in prepping for this discussion and that you have cohesive materials to share (e.g., *The Hidden Costs of Aging* brochure).

Sample opening script

“Good morning/Good afternoon/Good evening, I would like to begin by welcoming all of you to today’s meeting. We appreciate you taking time out of your busy lives for this important discussion. *(Insert name of client(s))* would like to begin a formal communication process within the family around aging, housing choices and their financial implications. *(Note: If this is the second family meeting, then it may be appropriate to do a brief recap of the last meeting.*

If it is the first family meeting you are having, then prepare a concise introduction including your background and your relationship with the client(s). (Insert name of client(s)) and I are hopeful that today’s discussion will give you comfort and peace of mind by knowing there is a plan (or an intent to make a plan) around these decisions, as well as a financial plan in place to pay for the choices they have made (or will make).“



Sample family meeting #3: Discussion of current investment philosophy

Purpose/Description

The purpose of this meeting is to provide a forum for your clients and you (the Financial Professional) to discuss the investment philosophy and approach to investing and managing your client's wealth. (Note: This meeting can be held without disclosing the actual dollar value of any investments.) At the same time, your clients can share their core beliefs, why they have chosen to work with you and the importance of maintaining the continuity of the investment approach moving forward.

Sample agenda

- a. **Introduction**
- b. **Overview of your role as a Financial Professional and your value proposition** (ideally using your brochure or pitchbook)
- c. **Investment philosophy**
- d. **Investment strategy for** (insert name of clients)
 - Goals and objectives
 - Risk tolerance
 - Asset allocation strategy
 - Current investments (i.e., advisory platforms, managers, products)
- e. **Existing reporting and communication** (to your clients)
- f. **Open dialogue and Q & A**
- g. **Determine action steps** (if needed)



Facilitation tips

1

In advance of this meeting, discuss with your clients their perception of their heirs' investment acumen.

Depending on the heirs' experience level, you may need to cover some "Investing 101" basics. Keep in mind that this is an educational meeting (or forum) and you will want to have clear, concise handouts that are easy to understand and are approved for client use.

2

This meeting is a great opportunity for you to take your relationships with the heirs to the next level by exhibiting your professional investment expertise.

You have an opening to offer your services to the heirs now, if you so desire. However, this offer should not be taken lightly. You should make sure that the heirs will fit your business model either with existing assets or upon wealth transfer (inheritance). It may be helpful for you to conduct additional research on the heirs ahead of time to gain insight into potential investable assets.

3

This meeting could be very critical for the person(s) in the family who will have power of attorney or be trustee(s) for your clients.

It is essential they understand your client's goals, intentions and investment strategy so that in the event they have to take over, you as the Financial Professional can maintain a good working relationship that is in the best interest of your clients.

Sample opening script

"Good morning/Good afternoon/Good evening, I would like to begin by welcoming all of you to today's meeting. We appreciate you taking time out of your busy lives for this important discussion. *(Insert name of client(s))* want to share their current investment philosophy and the methods in place for achieving their desired outcomes. *(Note: If this is not the first family meeting, then it may be appropriate to do a brief recap of the last meeting. If it is the first family meeting you are having, then prepare a concise introduction including your background and your relationship with the client(s).)* This meeting will not be a discussion of the assets in accounts but will instead be

focused on the investment philosophy and strategy. We encourage you to ask any questions you may have throughout the meeting, because it is critical that everyone has a clear understanding of the investment strategy in place. Let's take a moment to go over the agenda for today's meeting *(walk attendees through the previous sample agenda)*. *(Note: if the clients want to say something, this would be a great time to make their remarks. If this is the first family meeting, insert the following:)* Before we move on to the overview, I'd like to take a moment for each of you to introduce yourselves and your relationship to *(insert name of client(s))*."



Sample family meeting #4: Developing a family mission statement

Purpose/Description

Each family has core beliefs and values that define their behaviors and drive their decision making. The purpose of this meeting is to develop a family mission statement to summarize the factors that define the family's identity and guide financial decisions. Articulating the family's mission makes it easier for heirs to continue the journey their elders have begun in business, life, family and philanthropy. The earlier they are involved, the more likely they will feel prepared to carry these values forward after their loved ones pass on.

Sample agenda

- a. **Introduction**
- b. **Overview of family mission statements**
- c. **Brainstorming**
 - Values and beliefs that unify the family
 - Common responsibilities or actions that bring the family together
 - How values and beliefs can be conveyed
 - Communication guidelines for future generations
- d. **Draft sample family mission statements and debate their merits**
- e. **Determine action steps (if needed)**



Facilitation tips

1

As facilitator, be prepared to pose questions about the family's values and beliefs, and record the answers on a whiteboard or flip pad on an easel.

Be open and accept all suggestions from the family members. Be careful to not comment on, or offer an opinion on, an idea discussed. Probe about what is essential to the family and ask open-ended questions. Be comfortable letting the silence hang in the room, as it may permit you to hear from family members who might hold back.

2

Your client(s) will listen and determine which of the statements should be mentioned in the final family mission statement.

After hearing from the entire family and recording their comments, turn to your client(s) and ask them to weigh in and summarize the most salient points for the family mission statement. Finish up by coming together on a simple encompassing statement that will guide family members in making decisions for the family in the future.

3

In facilitating this discussion, use the following questions and examples as key discussion points:

What are the values and beliefs that unify your family?

- Faith/religious beliefs
- Ethnic heritage
- Attitudes toward money and wealth
- Commitment to philanthropy
- Commitment to financial success
- Commitment to mutual support
- Commitment to education

What common responsibilities or actions bring your family together?

- Maintaining/growing the family business
- Preserving the family wealth
- Sharing family history with children
- Supporting a political or social agenda

What actions will you take to convey your values and beliefs?

- Donate to charities, including social, political, religious or educational non-profit organizations that coincide with the family's unique values

How should family members communicate and interact in this and future generations?

- Hold an annual family meeting to review shared financial interests
 - Set up a family website to spread news and continue to foster communication
 - Establish a family reunion every 5 years
-

4

In writing the actual family mission statement, try to keep it as concise as possible while touching on all the key points of importance to the family.

The longer and more complex the statement, the more difficult it may be to get everyone involved to give their approval. A single paragraph is often sufficient, as in the samples below:

Sample #1

"Our family believes that education is imperative and was a key factor leading to our success and happiness. We pledge to support each other in the continued pursuit of learning, as well as to support the educational institutions that share our values."

Sample #2

"Our mission is: To strengthen our family and use its assets wisely; to enable our family and others to realize their fullest potential; to value and encourage love, work, self-sufficiency, and cooperation within the family and in the larger community."¹

Sample #3

"Our family is actively involved in environmental preservation and protection. We are all outdoor enthusiasts and have found our fondest memories to be of our family camping, fishing, skiing and boating trips around the world. We are concerned about the impact our society has had on nature and want to help improve the state of our environment for future generations to come."

Sample opening script

"Good morning/Good afternoon/Good evening, I would like to begin by welcoming all of you to today's meeting. We appreciate you taking time out of your busy lives for this important discussion. *(Insert name of client(s))* has asked that the family come together to discuss the creation of a family mission statement. *(Note: If this is not the first family meeting, then it may be appropriate to do a brief recap of the last meeting. If it is the first family meeting you are having, then prepare a concise*

introduction, including your background and your relationship with the client(s).) *(Insert name of clients)* and I are hopeful that today's discussion will bring the family together around a clear and unifying purpose. The family mission statement will guide multiple generations of the family as you carry these values forward and aim to make decisions that are consistent with your collective beliefs."³

³ A sample family mission statement from "Preparing Heirs: Five Steps to a Successful Transition of Family Wealth and Values" by, Roy Williams and Vic Preisser.

FINAL THOUGHTS ON THE FAMILY MEETING



A family meeting is the ideal opportunity to be introduced to the family members, loved ones or heirs of your most valued clients.

As we have illustrated, there are a variety of approaches you may suggest to your clients for a family meeting. You will need to find out which topics resonate the most, or are most appropriate, for your clients.

Flexibility and diplomacy are essential when facilitating a family meeting. You should encourage everyone to participate, mediate differences of opinion and summarize the family's feelings, among other things. Some clients may want to run through their thoughts on a variety of topics. Be patient, but gently guide them back to the business at hand. Your role is to facilitate the discussion, build family ties and provide a neutral and knowledgeable sounding board for each meeting.

As the Financial Professional, you can bring this all together. By coordinating this process for the family, you reinforce your essential role and get an opportunity to establish an independent relationship with their family members, loved ones and heirs. You can offer to follow up with individual members of the family, as appropriate, on the topics discussed in the meeting. The family meeting opens the door to a relationship with those who are nearest to your most valued clients.

STEPS TO TAKE TODAY



The day is coming (if it has not happened already) when you will get the phone call that an older client has passed away.

By being proactive, helping your clients plan for the future and developing a bond with the entire family network, you will ensure that a death will not be disruptive to your client's investments or to your ongoing relationships as the family's trusted Financial Professional.

Maintaining continuity in your client relationships is essential to asset retention. This means being the one to initiate the discussion with your clients about long-term planning, and guiding them through the process, including developing a relationship with the spouse/partner, family members or heirs. Once you decide that you do not want your book to die with your clients, you must get started in earnest. Here are suggested next steps:

- Carefully review the tools found in our client workbook, *Preparing for the Future: Your Records and Roles Organizer*, and determine how you will incorporate these into your practice.
- Analyze the segmentation of your book to determine which clients are appropriate candidates for the family meeting process (based on relationships, assets and future opportunities).
- Systematize the family meeting process for your practice by leveraging our sample agendas, facilitation tips and sample opening scripts. Streamline the steps so it becomes easier for you to host these meetings with your clients.

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