

Generational Wealth Transfer Series

INITIATING IMPORTANT CONVERSATIONS

The prospect of initiating this conversation may be uncomfortable, but doing so can help ensure that your wishes are understood and honored.

As you build a comprehensive estate plan, you will make a lot of difficult decisions. Who will be responsible for your end of life care? Who will inherit what? Who will oversee the settlement of your estate and the distribution of your assets? You have put a lot of thought into these decisions. Now it's time to explain your intentions to your family and heirs.

Meet in a calm and comfortable location, and explain the thinking behind your decisions. It's best not to wait until a crisis, when family members may feel emotional.



Tip

Talking about your plans today will help reduce anxiety and stress for your loved ones at a difficult time in the future.

Telling your health care agent, and your family, about your end of life intentions

- Your living will or advance health care directive will specify your preferences for medical treatment, but situations may arise that are not spelled out in these documents.
- Express the values that are important to you, such as a desire not to bankrupt your surviving spouse. This can help alleviate any anxiety or guilt, or disagreements over what you would have wanted.
- Indicate who will have power of attorney should you ever become incapacitated. Your "attorney in fact" will help your family and health care agent negotiate important legal and financial decisions and take action on your behalf.



What to discuss with your chosen executors

- Make sure your executors understand their responsibilities and are up to the task. Indicate whether you have chosen a professional co-executor to help negotiate some of the more complex or onerous responsibilities.
- If you have specific concerns about the dispositions in your will, make sure your executors understand your intentions.
- If you anticipate any family conflicts, give some background on the situation and guidance on what actions might help smooth the way.

What to tell your future heirs

- If you are in charge of your family's finances or a family business, you'll want to make sure your heirs will be comfortable with their new financial situation. If they are not, it is best to understand this ahead of time and avoid issues in the future. The solution may be as simple as sharing strategies for managing wealth, but you may need to consider adjusting your strategy.
- Share your values and philosophy for how the family legacy will be carried out through future generations.
- If any of your decisions might be upsetting, communicate your intentions privately. Be clear yet firm about why you made the choices you made.

Sharing your decision with chosen guardians and trustees

- You have put a lot of thought into selecting the guardians for your children. Discuss the factors that led to your choice. It may have to do with shared values, a close existing relationship, the guardians' age, the presence of other children, or perhaps the ability of your children to finish school and remain near friends and other family members.
- Discuss your children's future living situation and any provisions in your will, such as a trust or leaving assets outright, that will provide for their daily needs or assure that they can continue living in their own home or attending the same school.
- If you will be leaving a substantial sum to your children, discuss any goals or restrictions for the trust, such as when they will come into their money (at certain ages or in annual installments) and how you wish those assets to be spent (paying for college, buying a first home, or establishing a business).



LEARN MORE

Please speak with an estate planning specialist for more information on estate management issues, or with your financial professional for more information on BNY Investments products and services.

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