**Ghostwritten Article |
The Role of the Family Summit in Estate Planning – LPL**

*Must be used with your Advertising Review Team approved letterhead or email signature.*

LPL Compliance Approval # 565602-1

The attached has been given an 'Approved As Is' status by the Advertising Review Team. Advisors who are interested in using and/or customizing pre-approved materials should ensure an understanding of the **Pre-Approved Communications** section of the **Advisor Compliance Manual** posted on ClientWorks. This section of the compliance manual includes instructions on how to use pre-approved materials and meet the necessary Books and Records requirements.

**The Role of the Family Summit in Estate Planning**

**The Key to Successful Estate Planning? Communication!**

“I have a binder with all my estate planning financials for each of you,” one 76-year-old matriarch told her adult children over the Easter weekend.

She didn’t tell them where these binders were, nor communicate the particulars included in the binders. And her kids didn’t want to ruin the good holiday cheer by asking those probing questions in front of the whole family.

But some time has passed since Easter, and the topic hasn’t been broached again. What are the odds these kids know what’s included in their mom’s estate plan? It’s safe to say the odds are pretty slim.

When it comes down to it, whether the estate plan you put together is executed isn’t really up to you – it's up to the people you’ve put in charge. And how well can your plans play out if you don’t communicate your wishes with your family?

Of the $84 trillion in assets that are set transfer from high-net worth people, approximately $73 trillion of that will go to the next-generation – Gen X, Gen Y (or millennials) and Gen Z.1

If you are set to leave anything to the next generation, have you talked to them about it? Or have you put together binders that are being stored in an unknown location with unknown contents? Do your heirs know about your wishes and why you made the choices you made? And if you are a next-generation heir, do you know what your parents or elders’ plans are for their assets?

We’re going to dive into the critical role communication plays in estate planning.

**The Communication Disconnect**

While the opening anecdote is only about one family, the adult children in this example aren’t alone. A survey from Caring.com found that more than half of adult children don’t know where their parents' estate planning documents are and almost 60 percent of them don’t know what is in them.2

Wells Fargo found that 81 percent of adults ages 20 to 39 surveyed said that meeting with their parents to discuss finances would be valuable. But only 28 percent of respondents had any idea what their parents wanted to do with their assets.3 And LegalZoom reported that only 20 percent of people choose to talk to their heirs about their estate plans.4

Research from Raymond James found that around 45 percent of people with at least $500,000 in investible assets say they were transparent with their heirs about their wishes. Furthermore, 71 percent of those surveyed say they would find proactive communication important if they were inheriting something.5

But even though heirs want transparent communication, estate planning is an emotional topic to bring up. As much as people want information, the next generation doesn’t want to seem greedy or unfeeling by asking about it. And the elders might not want to face their own mortality by talking about it.

Luckily, there’s a way to organize a special event just for this purpose.

**The Role of the Family Summit**

One way to communicate effectively and proactively is to hold a family summit. A family summit is a great way to engage in meaningful multi-generational planning and can be a transformational experience for everyone involved.

Family summits aren’t just about the money, rather they’re a chance for the family to connect and for you to pass along your values, stories, and plans to the next generation. It’s a valuable tool to do this in a more structured process, versus just casually bringing it up here and there but never really communicating the things that need to be communicated.

The family summit is an actual one-day gathering. You can think of it as a party with a purpose. While choosing a venue, menu and agenda is critical, here’s the order of operations:

Step 1: Ensure all your estate planning documents are in place and everything is set up the way you want it. Update your will, powers of attorney (both financial and medical), and designated beneficiaries.

Step 2: Get in touch with your next-generation heirs and find a time that works for everybody. Let them know you’re planning a gathering to talk about something serious, but reassure them it is a positive thing, not a negative thing.

Step 3: Once you’ve nailed down a date, find and book a venue. It would be best to get the event catered so you can just focus on the meeting.

Step 4: Plan out the agenda and your talking points and transitions between subjects. Then practice your talking points. It’s easy to get off track if you haven’t rehearsed.

Step 5: Print up the agenda and any important documents you want your family to have.

This type of meeting could be a heavy subject for everybody. It might be difficult to facilitate on your own. To that end, we can help you facilitate the family summit if you’re not comfortable running it on your own! Give us a call today and we can start planning your summit so you can communicate critical estate planning information to your heirs.

**Your Plan is Only as Good as Your Communication**

Your estate plan needs people to execute it. And those people need to know what is going on and what your wishes are.

“It’s important to ensure there’s family alignment when transferring wealth, so both sides feel confident in how assets will be used for future generations,” writes Kelly Wolfington, CTFA, in Kiplinger.6

Make sure everybody is on the same page. While it might seem impossible to get everybody on the same page, we can help you do that. Get in touch today!

Sources

1 <https://www.cerulli.com/press-releases/cerulli-anticipates-84-trillion-in-wealth-transfers-through-2045>

2 <https://www.cnbc.com/2015/05/25/most-kids-are-clueless-about-parents-estate-plans.html>

3 <https://newsroom.wf.com/English/news-releases/news-release-details/2022/People-Want-to-Talk-About-Money/default.aspx#:~:text=SAN%20FRANCISCO%2D%2D(BUSINESS%20WIRE,%26%20Investment%20Management%20(WIM)>

4 <https://www.legalzoom.com/articles/estate-planning-statistics>

5 <https://www.investmentnews.com/industry-news/news/what-clients-want-you-to-know-about-transferring-wealth-to-their-heirs-241437>

6 https://www.kiplinger.com/retirement/great-wealth-transfer-how-families-can-get-on-the-same-page

Securities offered through “Your B/D Name Here”, Member FINRA/SIPC.

This material was prepared by Carson Coaching. Carson Coaching is not affiliated with the named broker/dealer or firm.