



SECRETS OF SUCCESSFUL FAMILIES

Securing Your Legacy, Empowering the Future

Creating a lasting legacy involves more than financial success—it's about instilling values that guide loved ones through generations. At Hightower Trust Company, we understand the challenges and aspirations that come with passing on wealth and values. Here are five principles observed in families who have succeeded across generations.

1 | TALK OPENLY ABOUT MONEY

Many families avoid discussing wealth, often believing it's impolite or unnecessary. However, fostering open communication around finances helps family members gain confidence in managing resources responsibly. Conversations about money provide an opportunity to share the purpose behind your wealth, whether it's supporting a lifestyle, contributing to causes, or securing family well-being.

Normalize these discussions by starting small. As children mature, address questions thoughtfully, sharing insights without overwhelming them. This approach helps family members understand the value of wealth and the responsibilities that come with it, laying a foundation for thoughtful financial decision-making.

2 | AVOID USING MONEY AS A REWARD OR PENALTY

Families who build wealth often attribute their success to hard work, resilience, and integrity. Passing these values down is important, but relying on financial rewards or penalties to enforce behavior can backfire, creating resentment or dependency.

Rather than using wealth as a "carrot and stick," encourage family members to gain real-world experience. Allow them to learn from employment or personal projects (i.e. volunteering, leading a food drive), and model the values you wish to impart. This helps develop their intrinsic motivation and resilience, setting them on a path toward personal fulfillment and financial independence.

3 | COMMUNICATE YOUR INTENTIONS

Estate plans are often revealed after a wealth creator's passing, leaving family members to interpret intentions from legal documents alone. To create clarity and continuity, consider adding a personal letter of wishes to your estate plan. This document communicates your "why," expressing the purpose of your wealth and values in a way that legal documents cannot.

In addition, regular family discussions and shared decision-making foster understanding and allow loved ones to connect with your vision. Formal or informal family meetings provide a space to discuss goals, expectations, and shared responsibilities, providing a smooth transition and instilling a sense of shared purpose.



4 | FOCUS ON AGE-APPROPRIATE FINANCIAL EDUCATION

Educating family members about financial matters is essential, but each person learns differently. Some benefit from formal education, while others learn better through discussion or hands-on experience. Work with advisors who tailor learning experiences to each individual's style.

Providing young family members with low-stakes opportunities to make financial decisions, such as planning a vacation or managing a budget, can build confidence and skills. This gradual introduction to financial responsibility instills confidence and prepares them to make sound decisions when managing larger assets.

5 | ANTICIPATE CONFLICT AND BUILD A FOUNDATION OF SHARED VALUES

With shared assets or family businesses, differing perspectives may lead to tension. Families who succeed across generations establish clear governance structures early on. Consider creating family councils, setting transparent employment policies, and establishing agreed-upon ground rules for roles within the family enterprise.

Shared values provide a guiding framework for resolving conflicts. While beliefs may vary, common values unify families and guide decision-making. By establishing a values-based consensus, your family can approach challenges with mutual understanding and a shared vision for the future.

CREATE A LEGACY THAT LASTS

At Hightower Trust Company, we're here to support families in transferring wealth and values thoughtfully. Our team is committed to helping you craft a strategy that goes beyond financial success, empowering the next generation to continue your legacy with purpose and clarity.

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