

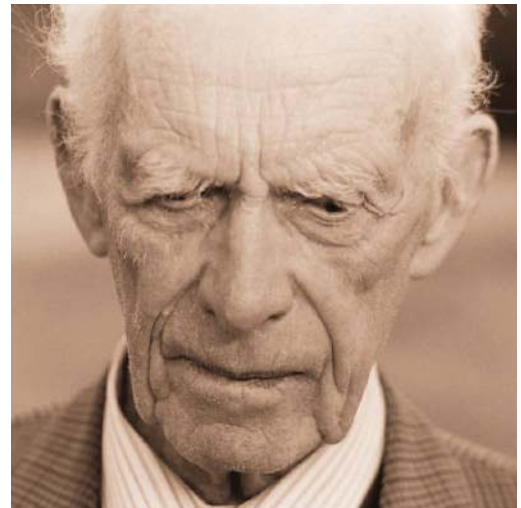
HAVE YOU THOUGHT ABOUT YOUR LEGACY?

Estate planning is about much more than saving taxes and avoiding probate. Every family is made up of unique individuals with stories to tell: stories which are rarely captured in legal documents. As planners we have the opportunity to discuss many end-of-life issues and concerns with our clients. Not all these issues involve the transfer of assets. Our job as estate planners should be as much about listening, capturing and passing along legacies as the strategies to minimize taxes or accumulate additional financial wealth. As illustrated by the following study, we know clients are looking for this type of personal planning.

The Allianz Life Insurance Company recently examined the legacy and wealth transfer concerns of the baby-boomer generation and their parents.¹ Interestingly, the area that was deemed the most important was the transfer of *values, stories and life lessons*. Baby boomers were interested in learning and absorbing the stories and wisdom possessed by their parents, while their parents were concerned about instructions, dreams and wishes to be fulfilled for the next generation. In addition, heirlooms and other possessions of emotional value, together with the stories behind them, were of interest to both parents and their children. The study also revealed that parents were seeking to engage in meaningful conversation to share and pass on their hopes, dreams and wishes for their children and grandchildren. Surprisingly, **only ten-percent** of respondents deemed the transfer of traditional financial wealth as the most important component of estate planning. In short, the Allianz study shows us that what may be defined as non-financial wealth – stories, family histories, heirlooms, ethics, faith, wisdom – is ten times more important to both baby boomers and their elders than leaving or receiving a financial inheritance.

Unfortunately, the Allianz study reveals that less than one-third of families have engaged in any sort of meaningful legacy conversation. Our mission is to change that.

The lessons of the Allianz study were recently made real to this writer on a personal level. Fourteen months ago, at the age of ninety years, my grandfather passed leaving behind a legacy of seven children, seventeen grandchildren, and a life of hard work lived with honor and integrity. Having given to others throughout life, he had forty-thousand dollars in the bank when he died. A modest estate by anyone's definition. However, the non-financial wealth he left behind was immeasurable, but sadly was lost with him. For example, he left two autographed baseballs for our immediate family – one signed by Honus Wagner and the other by Roberto Clemente. But no one knows the story behind exactly how “Pappy” happened to cross paths with two of the greatest baseball players to ever play the game! The heirlooms remain with us, but the priceless stories behind them were lost forever.



In response to this very real concern, we have put together the *Your Life, Your Legacy™* planning process. Our hope is that this estate planning primer will facilitate the thought process required to capture legacies and pass on *true wealth* to the next generation. We are excited about this new area of planning, and view this as a way to fulfill the very important “missing link” in estate planning.

¹ For more information on The Allianz American Legacies Study, visit www.allianzlife.com.