



INSTITUTE *for* PREPARING HEIRS®

# Family Roles *for* Beneficiaries Conversation



# ROLES *for* BENEFICIARIES

Beneficiaries have been **made aware** of the family's estate plan, and future roles and responsibilities.

## Understanding Why Future Roles Are Important

Involving beneficiaries now in decisions regarding family money requires members to understand the roles. Most family members will be beneficiaries, but there are many possibilities beyond this. Some roles require preparation, other roles use the natural skills and talents of family members, and still other roles are the result of one's position in the family. Expectations of each role, competencies required and terms of service will help all to have a unified understanding.

## One Family's Story

### Assigning Roles to The Upcoming Generation

As they were signing their updated estate plan, John and Mary were asked by their attorney to carefully consider who they wanted to fill the legally required roles in their estate plan. John and Mary assigned the executor role to their oldest daughter, Emily, age 35, a software engineer and Captain in the U.S. Air Force. The next oldest, Louis, 30, a junior member of a major accounting firm, would share the trustee role with the parents and their accountant. The youngest, Janine, 27, an elementary school teacher, would not occupy a role until she reached age 30. The parents would hold the remainder of the trustee, financial management and foundation grant-making roles.

When John and Mary shared their decisions, their children's reactions were not what they had anticipated. Emily and Louis had no interest in serving as executor and trustee, respectively, and asked to be removed from those roles. Janine, who was not assigned a role, felt left out.

The parents circled back with their estate planning attorney, asking for guidance. The attorney suggested the parents call a family meeting with the stated purpose of



sharing the estate plan, explaining what roles were legally required and the qualifications/responsibilities for each role. The attorney offered to attend the meeting and lead the conversation. Taking their attorney's advice, the family meeting resulted in Emily deciding she could fulfill the executor's role. Louis decided he had no interest in serving as a trustee. Janine stepped up and convinced her parents to allow her to serve as trustee.

*Many families  
name beneficiaries  
as trustees or executors  
but don't notify them  
of that role.*

## What Are The Roles And Who Wants to Prepare For Them?

The checklist on the following page is a guide for all future beneficiaries with specific actions to ensure they honor the intent of the family and the wealth creator.

— FAMILY CHECKLIST —

## ROLES *for* BENEFICIARIES

	YES	NO	SOMEWHAT
Beneficiaries have been <b>briefed on the structure</b> (not necessarily the amount) of the transitioning estate.			
Beneficiaries <b>know the provisions, intentions, and restrictions</b> on the assets in the estate.			
Beneficiaries have <b>met the family’s professional advisors</b> .			
A <b>list of required roles</b> (following the estate transition) have been provided by the advisors to all beneficiaries.			
The family has <b>discussed the skills</b> desired to fill each of the roles required by the estate, and terms of office.			
Interested family members have <b>met with advisors</b> to gain their input on the skills and work requirements to support each role.			
<b>Routine reporting</b> requirements (to the rest of the family) have been identified for each role.			
Beneficiaries appreciate the <b>role responsibilities</b> and whether or not an individual or a team should fill each required role.			
Beneficiaries have an acceptable <b>plan to prepare</b> to fill their chosen and accepted roles, integrating selected advisors.			
The family has <b>endorsed the beneficiaries</b> in their preferred roles, and support what is necessary for the beneficiaries to enter a particular role and be compensated.			

## FAMILY ESTATE ROLES

Name \_\_\_\_\_

Date \_\_\_\_\_

Executor \_\_\_\_\_

Successor Executor \_\_\_\_\_

Trustee(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Successor Trustee(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Power of Attorney(s) POA \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Successor POA \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Durable Health Care POA

(Advanced Health Care Directive) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Successor Durable Health Care POA \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Corporate Trustee \_\_\_\_\_

Guardian(s) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Guardian for Pet(s) \_\_\_\_\_

\_\_\_\_\_