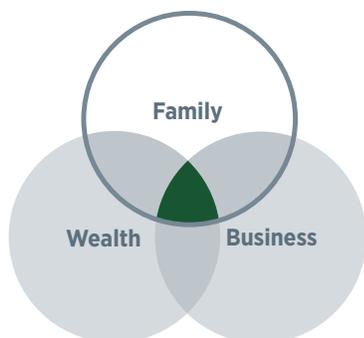


Emerald Family Office & Advisory

PROVIDING STRATEGIC
TRANSITION PLANNING
AND SOLUTIONS



Our holistic approach to planning seeks to integrate and align your family, wealth planning, and business goals to help prepare you for life's transitions.

The Importance of Transparency Around Family Wealth

Preserving your legacy through shared learning, communication, and leadership development

Lack of communication and transparency regarding the family's wealth can lead to collective uncertainty and tension. Here we "make the case" for how transparency can be a key component of your family's communication plan.

Incremental exposure to resources as a way to temper overwhelming sentiments

Unannounced wealth can come in like a meteorite for someone unprepared—comparable to the behavioral patterns of lottery winners. Resource: Hughes Jr, J. E., Massenzio, S. E., & Whitaker, K. (2012). *The cycle of the gift: Family wealth and wisdom* (Vol. 168). John Wiley & Sons.

Career paths and choices

Children with known resources backing their educational pursuits might follow their genuine passion over a higher paying career that is not as inspiring to their personal interest. Resource: Edwards-Pitt, C (2014). *Raised healthy, wealthy, and wise*.

Misguided expectations/misguided interpretations

Often, a lack of transparency results in children guessing on the reasoning of the parents with regard to the gifting of resources—the guessing is often worse (and more damaging to the family) than the actual reasoning. Resource: Herritt, D. (2021) *Family Business Magazine* webinar.

The importance of emphasizing the psychology of money

People are taught about money in ways too much like physics, with rules and laws, and not enough like psychology, with emotions and nuance—doing well with money has little to do with how smart you are and a lot to do with how you behave. Resource: Housel, M. (2020). *The Psychology of Money: Timeless lessons on wealth, greed, and happiness*. Harriman House Limited.

The development of financial literacy considerations

About 40% of those with low levels of financial literacy relied on parents, friends, and acquaintances as their most important source of financial knowledge, compared to 20.8% of those with the highest levels of financial literacy. Resource: National Bureau of Economic Research. <http://www.nber.org/papers/w13565.pdf>

Continued



Contact us
to learn more about
the importance of family
wealth transparency

Please contact:



Wilmington Trust Emerald Family Office & Advisory is a service mark and refers to wealth planning, family office, specialized transaction, and other services provided by Wilmington Trust, N.A., a member of the M&T family.

Wilmington Trust is a registered service mark used in connection with various fiduciary and non-fiduciary services offered by certain subsidiaries of M&T Bank Corporation including, but not limited to, Manufacturers & Traders Trust Company (M&T Bank), Wilmington Trust Company (WTC) operating in Delaware only, Wilmington Trust, N.A. (WTNA), Wilmington Trust Investment Advisors, Inc. (WTIA), Wilmington Funds Management Corporation (WFMC), and Wilmington Trust Investment Management, LLC (WTIM). Such services include trustee, custodial, agency, investment management, and other services. International corporate and institutional services are offered through M&T Bank Corporation's international subsidiaries. Loans, credit cards, retail and business deposits, and other business and personal banking services and products are offered by M&T Bank, Member FDIC. Please visit our websites at www.wilmingtontrust.com and www.mtb.com for additional information regarding our brands and products and services offered.

The specific services provided to you and fees for those services are described in our Platform Enrollment Agreement with you and subject to the Emerald Family Office & Advisory Terms and Conditions. Enrolled Emerald platform clients pay a one-time platform assessment and on-boarding fee in addition to the platform access fee. Please see the Platform Enrollment Agreement between you and us and the Emerald Family Office & Advisory Terms and Conditions for a detailed description of the services provided to you, the fees for those services and terms and conditions.

Positive societal implications

“Select few families now control a disproportionate amount of wealth globally, and this wealth—and how it is managed and used—has significant societal implications.” Resource: Woodson, W. I., & Marshall, E. V. (2021) *The Family Office*. In *The Family Office*. Columbia University Press.

Shared decision making and open communication

Currently, 90% of high-net-worth families fail to pass on their wealth and keep the family together by the third generation—the reason for failure is often attributed to a lack of communication and trust among the family. Resource: Roy Williams & Vic Preisser, *Preparing Heirs: Five Steps To A Successful Transition Of Family Wealth And Values* (Robert D. Reed Publishers 2003).

Strengthened family values and shared family experiences

Only 36% of parents strongly agree their children will be able to work together to make decisions about how to manage the family wealth after they are gone. Resource: U.S. Trust, U.S. Trust Insights on Wealth and Worth (2012). <https://michaelrosensays.files.wordpress.com/2011/09/wealth-and-worth-report1.pdf>

Formidable stewards of resources

A full 90% of children who received early money messages stress the importance of saving and spending responsibly as adults. Resource: Gallo, E., & Gallo, J. J. (2001). *Silver spoon kids: How successful parents raise responsible children*. Contemporary Books.

Benefits of creating family wealth transparency

Our goal is for you is to create open channels of communication and education that foster open dialogue and transparency around the family's wealth and any family business structures.

Family Office services, which include personal and entity financial management and tax preparation, are subject to additional fees and are not part of but in addition to the base Emerald platform services. Tax preparation services may be offered on a limited basis to existing entity or personal financial management clients in accordance with the Platform Enrollment Agreement for those services between such clients and Wilmington Trust.

If advisors or other third parties require compensation, any such fees are in addition to the fees charged by Wilmington Trust.

Wilmington Trust is not authorized to and does not provide legal or accounting advice. Wilmington Trust does not provide tax advice, except where we have agreed to provide tax preparation services to you. Our advice and recommendations provided to you are illustrative only and subject to the opinions and advice of your own attorney, tax advisor, or other professional advisor.

The information provided herein is for informational purposes only and is not intended as an offer or solicitation for the sale of any tax, estate planning, or financial product or service or a recommendation or determination that any tax, estate planning, or investment strategy is suitable for a specific investor. Note that tax, estate planning, and financial strategies require consideration for suitability of the individual, business, or investor, and there is no assurance that any strategy will be successful.