

THE R. C. and M. J. C.

FAMILY WEALTH LETTER OF INTENT

"The future is not some place we are going, but one we create. The paths are not found but made, and the activity of making them changes both the maker and the destination."
Jack Schaar

PURPOSE

This Family Wealth Letter of Intent is the initial product of our beginning the **Family Wealth Counseling** process and going through a **Life on Purpose Retreat**.

The purpose of this letter is:

1. to assist us in clarifying our thoughts and beliefs regarding our priorities in life and, as a result, our accumulated wealth and its use in the future; and
2. To help our family and our professional advisors understand what is important to us, the principles upon which we attempt to base our lives, and what we desire for our children, future family members and for others.

It is our intention to plan our personal and financial affairs in ways that will be consistent with our ideals and beliefs, and to provide a model for transferring our virtues and financial resources to our children.

Honoring Those Who Shaped Our Lives

Our lives have been significantly influenced by a number of people over our lifetime. We want to acknowledge and honor their influence in our lives, realizing that we would not be who we are without them.

For R.

My mother, Mary W. C. and my grandfather were the chief influences in my life. Due to my father's absence during the war years, my mother and I developed interdependence. She was always there for me and I know she relied on me as well, as the oldest child. She always treated others with respect, without discrimination and had lots of friends. Her father, C. W. was my male role model during those formative years. He was a self-made man, a sheriff, a banker and a politician. His examples of hard work, being frugal and responsible are still with me today.

What I remember best about my father was his even-handed approach to issues –he could see both sides of things. He was conservative, moderate and well-educated. He and my father-in-law most influenced my ideas of wealth. The Great Depression and

WWII had its effect on my parents and probably influenced them the most in terms of living a comfortable but not ostentatious life-style even though my father inherited a trust fund at age 32, an unusual thing in those days. My ideas about material possessions were most influenced by my days in the military. I learned that there is very little besides family that is necessary for a happy life.

Most of all, my family's strength was staying together during some tough times. It has also been of importance that our family remembers our heritage including L.S. and T.C

For M.J.

My mother, D. and my father, R. had the most influence on my life. They married in their early twenties in Ft. Thomas, Kentucky, where I spent the beginning of my life. Because my Dad ran several businesses located from Cincinnati to Sidney, Ohio, we moved in between the two to a large farm in L. when I was twelve years old. I am the youngest of three daughters and at age twelve the move was a big turning point in my life. My Dad traveled a lot and so we all learned to rely on Mom as a strong supporter of our family. When Dad was home at the farm on the weekends, we were a close knit family. It was important to both my parents to maintain family unity and I have fond memories of family reunions at the farm which still take place today.

My father, R. S. may have been the hardest working and responsible man I have ever known. He was a multi-talented workaholic whom everyone respected even though he fit the description of a "benevolent dictator." Obviously his business life was quite important to him, but he never discussed this part of his life with us. Therefore the wealth that was accumulated was never a focus in our lives. We never felt rich.

Dad never finished college, but insisted that his daughters all finish college. He modeled generosity to others. He generously helped kids go to college, supported the church and the YMCA. He believed in the four character traits of caring, respect, honesty, and responsibility promoted by the Y. From his estate, we learned about the fund that Dad established in my mother's name at the Greater Cincinnati Foundation and of a large gift to Children's Hospital. I am now learning that there is great satisfaction in giving from this fund along with my sisters. That is why I wish to begin planning for charitable purposes with our wealth.

Our Working Lives and How We Obtained Our Wealth

Since neither of us grew up in extravagance, it was normal for us to be married and to raise our children, A. and S. in comfortable, middle class surroundings. Because education was stressed in our homes, we both graduated from college and felt strongly about our children finishing as well. We want to be sure that our grandchildren have the means to go to college, in keeping with this tradition.

I, R., have been fortunate in the opportunities that I have had over the years, and I believe that I have taken advantage of them to the best of my ability. I would hope the same for S. and for A.'s husband D. The only thing that I would change about my life is

that I wish I had gotten a better education. I was fortunate to work with M. J.'s father in his businesses for 28 years. We had a good working relationship that has also been passed on to S. who works with 4 other grandsons in their grandfather's business.

I, M. J., am very proud that I worked for 20 years in the special education field. Although not potentially as financially rewarding as a business career according to some, I can say that my tutoring with special needs students has been very rewarding especially when I hear that all my pupils went on to graduate from college.

Our Beliefs Concerning What is Important in Life

Without question, both of us believe that nothing is more important than our children and grandchildren. Our high school friends are also a rich blessing in our lives. Giving to others, whether tutoring, serving on boards, or organizing a "Relay for Life," have been meaningful events in our lives. However, finding a cure for breast cancer is now a very powerful driving passion in M. J.'s life. R.'s diplomacy when solving a business related problem involving employees has served him well and perhaps will again in the future. He has always derived pleasure and a sense of accomplishment from a job done well and thoroughly.

The attributes that best describe R. are conservative, responsible and reliable. Those that best describe M. J. are compassionate, caring, and responsible and a desire to do one's best.

Our Responsibility to Ourselves

We have lived a comfortable and middle class lifestyle up until now and there seems to be no reason to change that. Even if our inheritances were suddenly turned into cash, our lifestyle would have minimal change.

Our income desires are to maintain a \$300,000 per year net after tax income with a 5% inflation factor and a \$100,000 liquid reserve. Any gifting to our children and grandchildren would be above this amount as well as the current gifting to our life insurance trust.

Our Responsibility to Our Children

Our two children, A. and S., along with their spouses, (D. and D.) are such a joy to us. We have excellent relationships with all of them as they do with us. Though we believe it is important for us to help them, we do believe that it is possible to give too much of an inheritance too soon. We want them to be responsible for their own families' well-being. We would want them to have enough to live secure and comfortable lives, but not so much that they might do nothing as a result of their inheritance. In addition, we are thankful that our parents made their wealth, now ours, a blessing, not a burden.

Since our inheritances have come later in life, we are a bit concerned about passing our wealth to our children and grandchildren before they are wise enough to handle it. Teaching our children about managing their assets is a goal we both share. We realize

that in younger years there are more financial needs, yet developing a sense of personal responsibility is also important to us. We both agree that an appropriate age to begin gifting assets is probably when children and/or grandchildren are in their thirties.

Our Responsibility to Others

Both of us want to give of our wealth locally to our church, and the Y. Giving to further the development of those in economic difficulty, and to reduce education inequities are R.'s main concerns. Whereas M. J.'s are to further breast cancer research, health crises, children's issues, religious causes, homelessness and hunger/starvation causes.

CONCLUSION

It is important to us to keep the following in mind:

Philanthropy –giving of ourselves and of what we have—often surprises us, sneaks up on us in joy.

It lifts our vision of life and our living of life from the merely selfish, the routine, the boring, the mundane, and the tedious. It brings instead a sense of purpose, of self-worth, of meaning for our lives, of a connection with powers greater than ourselves.

It creates huge good in our world by meeting human need (healthcare and social services), by nurturing the human spirit (religion, the arts), and by creating our future (education, research, the environment).

Philanthropy is, therefore, a quite precious thing, an energizing and revitalizing thing, a thing that touches the deepest chords of our hearts and opens doors of hope.

-- Dr. Gordon Kinglsey

R.C. and M.J.C.