Securing Your Life's Work and Building Financial Legacies, One Family at a Time

Your Guide To Legacy Planning

INVESTORS GUIDE

WHAT'S INSIDE

9 Questions to Ask When Building Your Legacy…page 3

How to Teach Your Children to be Financially Literate…page 7

How to Protect Your Legacy…page 11

AURORA
INVESTMENT COUNSEL

KEY TAKEAWAYS

What do you want your children and family to think of you? What unique characteristics come to mind about your family name? What steps are you taking to make sure this happens? Do you want a large philanthropic legacy that impacts the world? Or would you prefer a legacy to be specific to your family, city, or region?

A solid financial grounding helps your children understand family wealth in a deeper context—as a catalyst for opportunity, positive impact, and legacy creation.

For some, distributing assets is relatively easy. Installing values, fostering communication, and preparing for the responsibilities of wealth requires considerable planning.

Adult children should become active stewards and protectors of the family's legacy. This is the time for your children to step into the role of guardians and protectors of the legacy.

Building and preserving a family legacy is about safeguarding the values, wisdom, and relationships that define a family across generations. Legacy planning is not a one-time event but a continuous journey.

9 Questions to Ask When Building Your Legacy

PART
1



Have you bullet-proofed your assets? We often use the phrase “bullet-proof” when you reach a point where your assets are more than ample to provide for you and your family. We counsel our high-net-worth clients to think about the value they can create for their family and society with their “surplus” assets. Once you’ve identified your assets, protected them, and appropriately invested for the long term it is time to discuss what you’d like to leave as a legacy.

PART 1 - NINE QUESTIONS TO ASK IN BUILDING YOUR LEGACY

1 What is legacy planning?

Legacy planning includes creating a financial strategy for distributing your estate before you die. However, the path towards defining your legacy should start well before that.

2 What do I want my legacy to be?

What one word would you like to define you when you're gone? What do you want your children and family to think of you? What unique characteristics come to mind about your family name? What steps are you taking to make sure this happens? Do you want a large philanthropic legacy that impacts the world? Or would you prefer a legacy to be specific to your family, city, or region?

3 What is the difference between estate planning and legacy planning?

Estate planning is properly structuring your assets and accounts so that your wishes are implemented after you pass away. Estate planning is a given, but legacy planning is a more significant and complex issue. Legacy planning is about values and principles. It's about the big picture. It's about acting on your passion and purpose. It's about what you want to be remembered for. Legacy planning involves passing on your values and principles to the following generations. Some families don't care about leaving a legacy. Others lose sleep over it.

A legacy is a lasting impact on the world. It's a gift that is passed down through generations: money, property or even stories. It can also be a business–or the profits from a business, set up in a foundation or charity. Leaving a legacy means dreaming big and changing the world for the better. And it is a powerful driver for the most successful people on the planet." TONY ROBERTS

PART 1 - NINE QUESTIONS TO ASK IN BUILDING YOUR LEGACY

4 What is the meaning of "Securing Your Life's Work and Building Financial Legacies, One Family at a Time"?

Aurora's tagline is "Securing Your Life's Work and Building Financial Legacies." By this we mean that counseling you to secure and build your legacy is our guiding principle. You may have worked 30 or 40 years or more to live greatly now and to have your good name outlive you. When we help build your legacy plan, our mindful focus is on the needs and desires of you and your family.

5 When should I start thinking about my legacy?

Many of our successful clients start to think about their legacy when in college, before they get married, have children, or their career status or assets reach a particular milestone. They don't necessarily think about planning their legacy as they sign their will or form a philanthropic endeavor. They focus early on the values they want to leave behind and on who or what they want to impact.

6 Examples of how your clients want to be remembered?

One of our clients, an active and philanthropic woman in her 70s, is a cancer survivor. We have lunch with her frequently. Of her many accomplishments in family and business life, it has stuck in our minds that she hopes people will remember her for being "kind".

Another long-term client was a supremely successful corporate executive. He suffered a slow death from Parkinson's. During his career, he built one of the most prosperous retail firms in the US, employing thousands. During retirement he endowed a world-class business school. At his memorial, it was clear that he accomplished what he wanted—to leave the world a better place.

PART 1 - NINE QUESTIONS TO ASK IN BUILDING YOUR LEGACY

7 What are common myths about legacy planning?

Many of our clients come to us thinking that legacy planning and estate planning are one in the same. Or legacy planning is simply about writing a will or drawing a proper trust. Or that they did not have to monitor and update their will or trust. Or that it's just about death and taxes. None of this is true.

8 Can I do it myself?

A few high-net-worth investors ask us (and themselves) why can't they just build their financial plan and legacy by themselves, or perhaps at most ask trusted friends and family for advice?

Some investors have the time and expertise to do it themselves. But many do not. Can you, for example, create the right will and/or trust on your own? Do you know your investment personality and risk tolerance? Can you structure your investment plan to reduce or eliminate taxes? Can you keep emotions out of decision making? Do you know enough to know you don't know everything about building a lasting legacy?

9 What are the next steps?

You've asked the right questions. Congratulations. Question-asking is the first step to building your action plan. Research is an obvious initial step. Knowing who you are and what you want is critical as well. Teaching your children financially literacy (see part two of this guide) is also a good start. And for more information on...see part two.

Aurora's tagline is "Securing Your Life's Work and Building Financial Legacies." By this we mean that counselling you to secure and build your legacy is our guiding principle.

How to Teach Your Children to be Financially Literate

PART
2



What keeps you up at night? Do you worry that your children feel entitled and don't appreciate the value of hard work? Or maybe the wealth you've built will be squandered, mismanaged, or poured into causes opposed to your core values and principles? As hard as it is to create a legacy, how does a family protect and transfer it to future generations? The essence of your legacy is that it's more than just money. It's about your values. Your legacy is a deeply personal business intertwined with the desire to see your life's work and values perpetuated through generations.

PART 2 – HOW TO TEACH YOUR CHILDREN TO BE FINANCIALLY LITERATE

Exploring Money Basics (Ages 5-10)

Your legacy is a deeply personal business intertwined with the desire to see your life's work and values perpetuated through generations. The challenge is preserving your family's financial wealth while averting the erosion of your family values and identity. Ensuring that your children are financially literate is part of protecting your legacy. The process goes beyond basic education.

A solid financial grounding helps your children understand family wealth in a deeper context—as a catalyst for opportunity, positive impact, and legacy creation.

What is financial literacy?

Financial literacy is about ensuring the longevity of your family's ethos, values, and standing.

Financial literacy should begin early. For young children ages 5-10, try turning everyday moments into lessons. An allowance, for example, can teach kindergarteners and young grade school children what money is and what they can buy with it—and not buy. In addition, an allowance in exchange for household chores is an excellent way to teach young children the value of work.

Some grade and middle school children may be ready to be taught the value of investing. Many of our clients have created investment accounts for their children to invest in individual stocks and mutual funds.

Some parents have also created joint checking and saving accounts with their children. Others have discussed the pros and cons of debit and credit cards.

Beyond financial literacy, these clients have begun to teach their kids the value of research, analysis, and decision-making. We encourage you to bring your children to work If you have a business,. These visits can demonstrate the moral principles of hard work, communication, and working well with others.

PART 2 - HOW TO TEACH YOUR CHILDREN TO BE FINANCIALLY LITERATE

Navigating Tweens (Ages 11-17)

How do you teach your values to teenagers and on what values should you concentrate? At this stage, we often spur families to create and write down their family mission statement, credo, and tenets.

A mission document can be a powerful tool for educating heirs and maintaining legacies across generations. You can introduce the concept at whatever age you feel is right for your family.

A legacy killer?

Affluence's double-edged sword often manifests in overindulgence and less motivated offspring. This can be a legacy killer.

Many of our successful clients start to think about their legacy when in college, before they get married, have children, or their career status or assets reach a particular milestone. They don't necessarily think about planning their legacy as they sign their will or form a philanthropic endeavor. They focus early on the values they want to leave behind and on who or what they want to impact.

Mission statements can be elaborate documents created with advisors or something simple. For example, a basic construct may be, "We're committed to family bonding and community outreach. We'll grow family asset and provide for the family's education, growth, and security." When built together, this document can help bind families with a common purpose through the decades.

Well-articulated family values will also help to solidify a teenager's understanding of the importance of making prudent decisions. Some teens may think twice about buying a new personal gadget if the family mission is to help the less fortunate first.

Financial Independence For Young Adults (Ages 18-25)

Even if you can easily afford to send your child to the most expensive college, it doesn't mean you should. Your objective should be to teach your college-aged kids limits and decision-making skills.

Growing up in affluence can sometimes distort reality, making it appear that no price tag is too high. A client of ours recently gave their child a budget and a choice—not a blank check. The parents told their child they would pay for all her undergraduate expenses not covered by grants or scholarships. But she had to work part-time. No work, no help from Mom and Dad. She choose to work at a local non-profit organization.

PART 2 - HOW TO TEACH YOUR CHILDREN TO BE FINANCIALLY LITERATE

One of the most accomplished college football coaches, Nick Saban, holder of seven NCAA championships, recently retired. One reason: his values no longer aligned with those of his players.

As children enter college, they should be grounded in family ethos, intelligent financial decision-making, and the importance of saving and investing.

The values he championed included teamwork, accountability, and discipline as building blocks for success. His players, by contrast, were primarily focused on how much money they could make from endorsements and how much playing time they would get.

We love to talk in our office with the college-age children of clients. We provide a sounding board and resource for children and their parents. As children enter college, they should be grounded in family ethos, values, intelligent financial decision-making, and the importance of saving and investing. We can help reinforce those values.

Partnering with Adult Children to Protect and Grow Your Legacy (Ages 18-25)

Adult children should become active stewards and protectors of the family's legacy. It's time for your kids to step into the role of guardians and protectors of the legacy.

You have many ways to create a legacy. Even the best legal documents may only serve their purpose if family values are aligned. We strongly encourage clients to come together early and regularly to discuss long-term goals, principles, and objectives.

True wealth extends beyond financial assets; it encompasses the wisdom, responsibility, and values passed down as a legacy through generations. Financial literacy is a gift that empowers your children with the freedom to make decisions with purpose and grounded in a family’s legacy. Financially literate children can ensure that your family's values and vision remain at the forefront of decisions.

Aurora strives to facilitate honest conversations, align values, and develop comprehensive strategies for preserving and growing family legacies across generations

Protecting your legacy

Adult children should become active stewards and protectors of the family's legacy. It's time for the kids to step into the role of guardians and protectors of the legacy.

How to Protect Your Legacy

PART
3



Your legacy cannot be measured in dollars and cents. Unless you have your name on a building, your legacy may be largely intangible. Yet, it may be the most important gift you can bestow on your family and the ones you love and care about. Legacies can bind families together, shape choices, and guide future decisions and actions. We'll offer a roadmap for families looking to safeguard their legacies. We'll also discuss strategies for defining and communicating shared values and ways to foster stewardship and purpose for future generations.

PART 3 – PROTECTING YOUR LEGACY: ENSURING FAMILY VALUES ENDURE

A Legacy Starts Young

We recently attended a memorial service for a client whose 9-year-old grandson spoke with poise and grace far beyond his years. Although the family is extremely wealthy, they live modestly and with no pretense. Family members volunteer at a homeless shelter every Christmas, serving meals to the less fortunate. The grandfather provided financial security to future generations and taught his children and grandchildren the importance of hard work, humility, generosity, and communication. His legacy was on full display in the words of his grandson.

The Essential Differences Between Estate Planning and Legacy Planning

Estate planning and legacy planning are terms sometimes used interchangeably, but they differ. Estate planning focuses on the technical aspects of transferring assets from generation to generation, using tools such as wills, trusts, and tax strategies. Legacy planning goes beyond financial and legal logistics and focuses on preserving and perpetuating family values, purpose, and vision.

Although they are different, the two go hand in hand. Legacy planning starts with defining the intangible aspects of heritage, e.g., the stories, life lessons, and principles you want to pass down. Ideally, you should design your estate plan to reinforce and support a legacy plan.

For example, a trust (an estate planning tool) might incentivize behaviors or values (a legacy planning goal). The estate plan protects and distributes assets, while the legacy plan preserves and perpetuates a family's values and vision. This comprehensive approach integrates both to ensure financial resources are used to support a family's larger purpose.

PART 3 - PROTECTING YOUR LEGACY: ENSURING FAMILY VALUES ENDURE

The Legacy Test

Preserving your family legacy requires a proactive approach. Distributing assets is the relatively easy part. Instilling values, fostering communication, and preparing the next generation for the responsibilities of wealth requires planning.

For some, it requires a test. One of our clients gifted his three adult children $1 million each. Four years later, two of the children had grown their assets and established new and thriving businesses. The other child spent his entire $1 million on exotic trips, fine jewelry, and other lavishes. After four years he came to Dad asking for more. Dad said no more, you failed the legacy test.

Cultivating Shared Family Values

Some of our clients plan annual retreats to discuss shared values and ways to use family wealth positively. Many make it a point to involve their children in their businesses from a young age. The activity is less important than bringing the family together to discuss and reinforce the principles they care about.

Implementing Strategic Estate Planning Tools

Trusts and wills help protect your assets and ensure distribution according to a well-considered plan. When designed properly, these legal documents can reinforce your family values and goals. You may, for instance, structure your will to incentivize your children's behavior and achievements, such as completing education or engaging in philanthropic activities.

> For some, distributing assets is relatively easy. Installing values, fostering communication, and preparing for the responsibilities of wealth requires considerable planning.

PART 3 - PROTECTING YOUR LEGACY: ENSURING FAMILY VALUES ENDURE

Facilitating Communications Across Generations

We recommend regular family meetings where sharing knowledge and articulating roles and responsibilities are discussed. We recently worked with a family where the parents were secretive about their finances. When the father passed away, the eldest son was surprised to learn that he was named executor of the estate, a role for which he was utterly unprepared.

By contrast, another client made it a point to involve his daughter in financial planning meetings with us from a young age. When she was named executor, she knew about the family's finances and was prepared to carry out her father's vision.

Using Philanthropy to Foster Family Values and Social Goals

Philanthropy can be a powerful tool for aligning your values with your children. We often recommend that parents establish a Donor-Advised fund (DAF) in which their children are involved in setting philanthropic objectives decisions.

Proactively Addressing Potential Threats to Family Unity

No family is immune to conflicts and challenges. The key to diffusing potential issues is anticipating and dealing with them proactively. Family dynamics—sparring siblings, irresponsible children, step-parents and step-children with different agendas—can challenge even the most well-meaning parents. We often help facilitate difficult conversations. We aim to ensure that everyone works towards preserving the family's legacy.

Building and preserving a family legacy is about safeguarding the values, wisdom, and relationships that define a family across generations. Legacy planning is not a one-time event but a continuous journey. Families that succeed in preserving their legacies understand that a clear vision, combined with adaptability and ongoing communication, can help guide them through any market or family storm.

Aurora Investment Counsel seeks to provide peace of mind to high-net-worth and institutional clients through expert wealth management and investment management.

Our clients include those nearing or in retirement, business owners, career professionals, and people with new and special situations in their financial lives, such as the sale of a business, inheritance, widowhood, divorce, or a generational wealth transfer. We also provide equity management services for family offices and institutional investors and consult with financial advisors looking for business growth and sub-advisory services.

Aurora was founded in Atlanta, GA, in 1995 and currently manages more than $200 million in assets under management.

The “Aurora” of Aurora Investment Counsel is not merely our name. It’s our commitment to you. Just as the Sun and Earth collaborate to produce an aurora, our wealth management and investment management services work with you to achieve your goals.

AURORA
INVESTMENT COUNSEL

AURORA
INVESTMENT COUNSEL

Securing Your Life's
Work and Building
Financial Legacies,
One Family at a Time

3350 Riverwood Parkway
Suite 2205
Atlanta, GA 30339

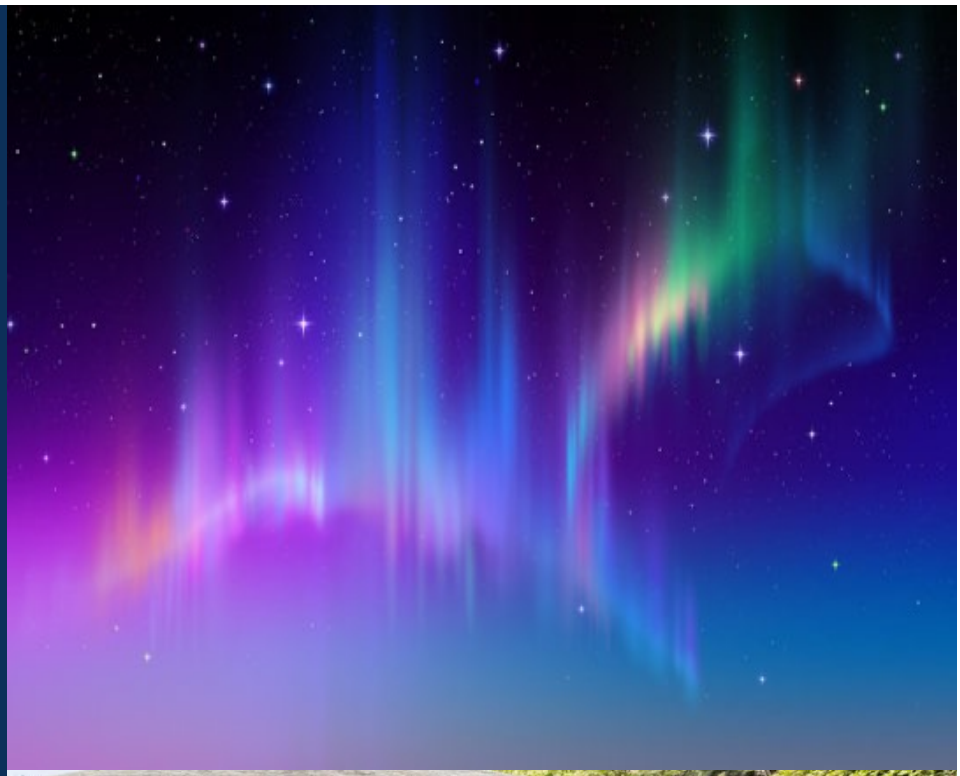
770-226-5323
info@aurora-invest.com
www.aurora-invest.com

Your Guide to Legacy Planning

AURORA
INVESTMENT COUNSEL

INVESTORS GUIDE

Securing Your Life's Work and Building Financial Legacies, One Family at a Time





Your Guide To Legacy Planning

WHAT'S INSIDE

9 Questions to Ask When Building Your Legacy … page 3

How to Teach Your Children to be Financially Literate … page 7

How to Protect Your Legacy … page 11

AURORA
INVESTMENT COUNSEL

INVESTORS GUIDE

Securing Your Life's Work and Building Financial Legacies, One Family at a Time



Your Guide to Legacy Planning

WHAT'S INSIDE

9 Questions to Ask When Building Your Legacy … page 3

How to Teach Your Children to be Financially Literate … page 7

How to Protect Your Legacy … page 11