



Family Succession Planning Risk Management Index

Statement	I agree with a.	I agree with b.	Score (a. minus b.)
1) The driving force behind the ownership of this family wealth is: a. The excitement you feel about the growth in the value of the wealth. b. A vision for the wealth to reach a specific target owner(s) and that the ownership of that wealth will be preserved over time.	0 – not at all	0 – not at all	3
	1 – somewhat	1 – somewhat	2
	2 – completely	2 – completely	1
	3 – strongly	3 – strongly	0
			-1
		-2	
		-3	

<p>2) You make decisions about whether to buy or sell an asset based on:</p> <p>a. What comparable assets have sold for in the market recently, or some other formula based on outside opinions and information.</p> <p>b. Your experience and intuition about what price is “right.”</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>-1</p> <p>-2</p> <p>-3</p>
<p>3) You feel more comfortable when you:</p> <p>a. Delegate the control of assets to a professional manager.</p> <p>b. Have direct control over access to specific assets.</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>-1</p> <p>-2</p> <p>-3</p>
<p>4) When you are dealing with a specific asset, your style is:</p> <p>a. Formal, somewhat impersonal, and with a distance between your feelings and your decisions.</p> <p>b. Personal and emotionally driven. Each asset has its own personality and</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>-1</p> <p>-2</p>

idiosyncratic place in your world.			-3
5) When paying someone else to work with specific assets, you:			
a. Feel that once a professional is engaged that, as long as they meet the financial goals, their fees and work hours are reasonable.	0 – not at all	0 – not at all	3
	1 – somewhat	1 – somewhat	2
	2 – completely	2 – completely	1
	3 – strongly	3 – strongly	0
b. Feel that they are charging too much; you want to get the most out of their work at the least possible cost.			-1
			-2
			-3

<p>6) You expect from family, employees, and advisors:</p> <p>a. That their results will take time, possibly as long as a two or three years before measurable success can be determined.</p> <p>b. That there will be immediate and dramatic results from day one.</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>-1</p> <p>-2</p> <p>-3</p>
<p>7) When it is required, you expect others to:</p> <p>a. Feel that regular hours and scheduled meetings are enough, and that emergencies can be delegated to others.</p> <p>b. Commit to very long hours and weekends in order to fully handle a specific asset or issue, as you would do yourself.</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>-1</p> <p>-2</p> <p>-3</p>
<p>8) When it comes to knowing about specific significant assets or investments, you:</p> <p>a. Know the broad issues facing the asset market, but delegate the actual details of acquisition, management, and sale of the assets to others.</p> <p>b. Know and deal with every aspect of selection,</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>-1</p> <p>-2</p> <p>-3</p>

acquisition, management, and sale of that asset.			
<p>9) When discussing a specific asset or investment, your style is:</p> <p>a. Formal and based on a set procedure.</p> <p>b. Informal and anecdotal.</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>-1</p> <p>-2</p> <p>-3</p>

<p>10) You do not incur an expense associated with this specific asset or investment unless:</p> <p>a. There is a possible leverage of the value of the asset, including incurring debt secured by the asset as part of a budgeted overall financial plan.</p> <p>b. An immediate, direct, and tangible benefit is realized that exceeds the cost of the expense.</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>0 – not at all</p> <p>1 – somewhat</p> <p>2 – completely</p> <p>3 – strongly</p>	<p>3</p> <p>2</p> <p>1</p> <p>0</p> <p>-1</p> <p>-2</p> <p>-3</p>
--	---	---	---