



OLD NORTH STATE TRUST, LLC

The Generational Divide

For the last 100 years or more, demographers and strategists have defined the different generations based on a variety of factors. Some of these include population, economics, education, upbringing, customs, behavior, etc. Each generation creates their own values adopted from previous generations, and have in these cases a breaking point where they diverge from the norm and try to establish their own goals for the future. Of course, not everyone will be defined exactly by the “Label” of their generation. Each person creates their own values/ paths which could mesh from influences from each generational group. Below is a chart which shows the approximate ages (different research shows different variations) of each generation and broad characteristics of each group.

Generation	Years & Ages	Characteristics
GI Generation	Born 1901-1924 Age 92-100+	Economic Boom of the 1920's
Silent Generation	Born 1925-1946 Age 70-91	Reputation based on Social Status- Ambitious goals/ aspirations based on economic depravity during their formative years
Baby Boom Generation	Born 1946-1964 Age 52-69	Hope for a brighter future- more of an economically comfortable life for most baby boomers
Generation X	Born 1965-1979 Age 37-51	Overlooked- sandwiched between the Baby Boomers and the Millennial Generations
Millennial Generation (also known as Generation Y)	Born 1980-1999 Age 17-36	Connected and diverse
Generation Z	Born 2000- Age 10-16	Technology boom
Generation Alpha	Next generation on the horizon	Projected to be Technologically and globally connected because of technology

Being in the Trust business, we see clients represented from each generational group. They may vary from those still living from the GI Generation or a Trust Document that was created during this time, all the way up to the latest named generation, Generation Alpha.

Needless to say, staying current with the changes and differences of each generation and their expectations is a very daunting task, but a challenge we welcome.

One of the challenges we face as a Trust company is finding the right balance when dealing with the age difference and expectations between family members and executing the terms of the Trust agreement. As the fiduciary, the explicit duty of a trustee is to faithfully execute the wishes of the grantor as specified in the legal document, even if the wishes seem foreign to the family member beneficiary. Being able to explain the grantor's intent across multiple generations requires unique communication skills and sometimes a lot of patience. As a possible example of a generational viewpoint divide, does a trust provision authorizing the availability of funds for a grandchild's education mean college tuition or money for a 12 month trip around the world? Another example is a trust document written in the 1960's stating that the trust would be distributed equally to the "lawful" children, those conceived through marriage. In today's society, the word "lawful" could be interpreted differently with the description of a traditional family changing and children born out of wedlock being recognized.

The needs and desires of each generation are vastly different. The communication preferences are equally different. The first few generation types prefer direct communication with their advisors, for example, face to face meetings and physical financial statements. Older individuals from the earlier generations prefer some sort of human contact when dealing with their personal and financial information. They want to trust and know their advisor who will be handling the details of their most valuable possessions. Unlike the younger generation, who for the most part, prefer less direct methods. The younger generations don't feel the need to have direct contact with an advisor. They are perfectly happy with emailing and texting to convey their desires and wishes. Understanding your client's needs and being able to meet the diversity of those needs is more critical now than ever. Having the flexibility to cater to all types of clients is essential in our current society. At Old North State Trust, we have that type of flexibility. We can provide paper statements, online access, face to face meetings, online meetings or whatever our clients may want or need in this ever changing world we face daily.

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