



COMMITTEE REPORT: ULTRA-HIGH-NET-WORTH FAMILIES & FAMILY OFFICES

By **Tim Volk**

A Guide to Non-Binary Families

How to sound like you're not from the last century

In the TV Series *Hacks*, the character Deborah Vance (a professional comedian on the show) inadvertently books a trip on a lesbian cruise, quickly adjusts and makes friends with her fellow passengers. Then she goes onto the stage without changing her professional act and bombs, so offending everyone on board that she's booted off the ship at the next port.

Advisors to ultra-high-net-worth (UHNW) and family offices beware: You could get booted, too, or worse, if you don't adjust your approach to assisting families with lesbian, gay men, bisexual, trans and queer (LGBTQ) members. By contrast, in a best-case scenario, you actually may help save someone's life.

Why it Matters

Many Americans realize that cultural variations exist in the United States. One such cultural difference exists between the straight world and the LGBTQ universe, mostly because society for centuries discriminated against non-straight people, even imposing the death penalty in some cases. Each time you interact with an LGBTQ client, you cross this unseen borderline, and just like traveling to another country, you need to adjust to the new culture. That is, you need to update your act before stepping onto the professional stage.

You really can make a positive difference when you correctly bridge this cultural gap. Individuals often have endured a lifetime of fear, bullying, family rejection, job losses, verbal harassment,

physical attacks and other forms of harassment and discrimination. Now imagine how they'll feel when meeting a wealth advisor with whom they can honestly discuss their specific needs and concerns. Your emotional intelligence and basic human kindness could prove to be priceless.

You've probably read or heard that today's youth struggle with mental illnesses for many reasons, but the problems are especially urgent among LGBTQ youth. For example, suicide is the second leading cause of death among those ages 10 to 24, and LGBTQ youth are more than four times as likely to attempt suicide than their peers.¹ That means these families have been torn apart by fear, misunderstandings and discrimination. It also means these young people face a dismal future: living on the streets, bad health, lack of education, financial instability, potential interactions with drug abuse and likely early death. Think what a hero you'll be to a family when you can help even one teenager accept themselves for who they are.

Aging LGBTQ individuals also encounter discrimination and heartache, because many retirement communities, assisted living and memory care facilities don't accept LGBTQ relationships. For example, in 2018, a continuing care retirement community in Missouri turned down the application of a lesbian couple because of their relationship.² The facilities that do accept same-sex couples may not understand the relationship, so they often don't allow life-long partners to live together or care for each other. And LGBTQ clients at these communities still may face bullying or abuse by staff or other patients. Neither the U.S. Supreme Court's decision recognizing same-sex marriage nor many state-level anti-discrimination laws have stopped these tragedies. And after death, a surviving



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LGBTQ partner may confront long-estranged family members challenging a will, trust or assets in ways that rarely occur in straight relationships. A well-informed, emotionally intelligent family advisor also can protect LGBTQ clients in these later stages of life.

It's Not Even the Past

Great American novelist William Faulkner wrote that “the past is never dead. It's not even past.”³

Admittedly, society and culture in the United States and many other Western democracies are far more enlightened than they were less than a century ago. Despite his fame, great writer Oscar Wilde went to Reading Gaol (jail) in 1895, convicted of “the love that dare not speak its name.”⁴ Alan Turing faced chemical castration in 1952, essentially for the same, perceived “crime.”⁵ But in 1969, society finally confronted an LGBTQ community willing to fight back: In June 1969, a group of gay men gathered to mourn the recent death of Judy Garland. Cops came to break up the crowd. The crowd fought back. Arrests followed. But the gay (later LGBTQ) movement was born—which is why Pride (now LGBTQ) month is still celebrated in June each year.⁶

Then in 1972, Dr. John Fryer attended the American Psychiatric Association conference in a costume to announce that he was gay and a psychiatrist. Up to this point, homosexuality was categorized as a mental illness.⁷ This brave move led the association to stop categorizing LGBTQ individuals as mentally ill. Still, it wasn't until 2015 that the U.S. Supreme Court legalized gay marriage nationwide⁸ (a right that the Supreme Court may rescind with the justices revoking abortion rights under *Roe v. Wade*).

We've already discussed how LGBTQ individuals still face discrimination, even violence, and why having an emotionally intelligent family advisor can make such a positive improvement in their lives. You can be the hero of this story, if you choose to do so, if you show emotional intelligence and start by asking the right questions.

In previous writings,⁹ I've explained why most family wealth disappears after the third generation, a problem eloquently described by my professional mentor, James Hughes.¹⁰ Separately, social scientists

historically have found that at least 10% of the U.S. population identifies as LGBTQ—but more recent research shows that the number of adult Americans identifying as such has doubled in the past decade.¹¹ This increases the possibility that within three generations, a U.S. family may have at least one LGBTQ member. If that family member hasn't felt comfortable “coming out” to you, then it's time to think why they've been reluctant and how to build better personal and professional trust with them.

One of the more difficult
professional situations occurs
when the client is LGBTQ but
still “in the closet.”

James Hughes also has documented why, for families to flourish, all voices must have a seat at the table and be heard.¹² All families face this issue, but wealthy families often experience even greater difficulty executing this concept because even one dominating voice (often the patriarch or founder of the family's wealth) drowns out or, worse, will discourage anyone from speaking their mind. In my advisory work, I find it ironic that it's the softer voices who can provide the best insights for the whole family. And sometimes those voices are LGBTQ family members who, to this point, have gone unheard and even unrecognized.

Trusted Advisor Duties

In my family advisory practice, I find one of the more difficult professional situations occurs when the client is LGBTQ but still “in the closet.” First, I have to learn who in the family knows the client is LGBTQ because the client has told them, who among the relatives just figured out the truth by observation, who among the kinfolk may know but deny the truth and which relatives remain oblivious. Clearly, maintaining client confidentiality is always paramount but that core duty becomes exponentially more complicated in these situations, especially when



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providing estate and long-term financial planning.

Next, I often find it helpful to seek assistance in “connecting the dots.” For some families, it’s invaluable to have a non-emotional party available to facilitate conversations. Many times, there’s someone (or several people) in a family who already know or would champion for their LGBTQ loved ones afraid to exit the closet.

The moment is emotionally charged. Step back for a moment: Your LGBTQ client or family member has dealt with discrimination and fear of rejection (especially from their parents) for years or even decades. They’ve mentally run countless scenarios of possible outcomes, and usually focus on the worst. This one fear will override all else and likely will keep someone hiding deeply in the closet.

Start by assessing your own approach to helping LGBTQ clients and their families.

For the parents and family, the “coming out” may be the first hard realization that their child or sibling is LGBTQ and result in emotional shock. Family members (especially the usually dominant voices) may say or even shout hurtful comments that may not represent how everyone feels. At these difficult inflection points, I heed the advice of an older friend: Give everyone some time to process the disclosure and come to terms with the implications.

This anxiety may persist for years, especially for Baby Boomers and Gen Xers. I exited the closet decades ago but on occasions still worry about how some individuals may react to my gender identity. For example, not long ago I was my firm’s representative at a pitch meeting with a potential client family. After I outlined our company’s proposal and scope of work, one of the family’s principals started asking me a series of questions, including whether I would be moving to their area. I said “we would likely have a place nearby but we also would keep our home in Chicago.” This prompted his next question—who’s “we”?

You could have pushed me over with a feather. That pit in my stomach resurfaced from years ago. I realized that I was in a rural area, much like where I grew up. I was with a large family, sitting in *their* conference room, located in *their* family business. Then I deployed my own family’s best defense: humor.

“The ‘we’ references my husband, John. We’re gay,” I said. “Or, if you don’t like that, you can think of it that he (my husband) is gay, but I’m not. Been together for over 30 years.”

The group broke out in laughter! The principal got a big smile on his face and said that’s great, we hope you spend more time here. What a relief! But it highlighted my own fears and hesitation about sharing my sexuality—and that fear, born from decades of discrimination, is unlikely to go away.

An important note: Our team of professionals also recognized this situation. We talked about the episode as we drove back in the car to our own office. All my colleagues said that if the potential client family had responded any other way, we all would have walked out. Their unanimous support almost brought tears to my eyes.

I’m fortunate to have many friends who are in the business of advising families and their enterprises. They frequently ask about similar situations that they encounter in their own practices. These are very competent, well-educated pros who discover they may not be as comfortable in these scenarios as they’d hoped to be.

Start by assessing your own approach to helping LGBTQ clients and their families. Are you sure they’re being completely honest and open with you? Are you really sure? What can you do to make them feel more at ease, so you can at least start a conversation? (Perhaps you could make copies of this article, for one thing. Or you could put brochures in your waiting area describing upcoming local Pride month events.)

Questions for Client

When a client feels comfortable and opens up to you, say that you understand that this issue is sensitive but that it’s also important for you to get more information. Here’s a series of questions you can ask:



1. Do you feel comfortable if I ask you a few more, (somewhat) probing questions?
2. What's your own level of comfort with being out of the closet?
3. After considering the client's age/life stage, ask: Do you know that you might have different financial (or legal) needs than a straight person? If they say yes, follow their lead. If not, tell them that you still may be able to help them further.
4. Does anyone in your family know?
5. Do those family members in the know accept your LGBTQ status, or did you experience rejection?
6. How do you identify? Lesbian, Gay, Bisexual, Transgender or Queer?¹³
7. Do you consider yourself "out" to the public?
8. Does your family/siblings/co-workers/husband/wife/children/grandchildren know? (In older generations, LGBTQ people often felt obligated to enter into straight marriages and even conceive children, all while remaining deeply closeted.)
9. Do you have a significant other(s)? (Some of your clients may have polyamorous relationships.)
10. Are you legally married? What's the jurisdiction? (Yes, the answer still matters, even with the 2015 U.S. Supreme Court ruling.)
11. Do you have a prenuptial agreement (prenup)? Is this prenup only for your straight marriage, or do you also have a written, legal agreement with an LGBTQ partner?
12. Have you already prepared estate-planning documents?
13. Are you part of (for example, a beneficiary) of someone else's estate planning?
14. Do you have any shared business or financial interests with your family?
15. Do you have control of these interests—or would a family member move to block your LGBTQ spouse/partner from inheriting your assets or exercising power of attorney or medical power of attorney (even if you both signed documents that give them that authority)?
16. Do you have children or other minors in an LGBTQ relationship that you haven't acknowledged in legal documents or who otherwise might have claims on your assets?
17. (Super sensitive question with big legal, even law enforcement implications): Have you ever been, or are you now being, blackmailed because of your sexuality? If so, what lawful actions do you need me to take to help you out of the situation?
18. Is there anything that I didn't ask you but should have?

Resources for Advisors

Here are some resources if you're interested in learning more:

- Nationally:
 - Human Rights Campaign (www.hrc.org)
 - Lambda Legal (www.lambdalegal.org)
 - Sage Advocacy & Services for LGBTQ Elders (www.lgbtagingcenter.org)


Streaming services approach

LGBTQ topics more often
than you'll find on the
broadcast networks.

- Most states have an LGBTQ rights (equality) organization. For example, Illinois has Equality Illinois. Many have also formed as lobby organizations, such as www.equalityillinois.us.
- Several major urban areas have social service/help groups focused on the LGBTQ community. In Chicago, for instance, find:
 - Howard Brown Health (www.howardbrown.org)
 - Night Ministry (www.thenightministry.org)
 - Chicago House (www.chicagohouse.org)
- An excellent book for parents shocked when their children come out of the closet: *When Your Child is Gay* by Wesley C. Davidson and Dr. Jonathan Tobke.
- Movies: Here's *Rolling Stone* magazine's list of 50 essential films about LGBTQ issues: www.rollingstone.com/movies/movie-lists/50-essential-lgbtq-movies-1009058/.



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- A few of my favorites from the Big Screen include:
 - *Simon* is one of the more current films about a teenage son, his friends and family navigating his “coming out.”
 - *Call Me by Your Name* helps straight people understand the emotional pain of previous LGBTQ generations.
 - *Moonlight* illustrates the compounded prejudices of a young man who’s both gay and Black in America.
- Television: Streaming services approach LGBTQ topics more often than you’ll find on the broadcast networks. Again, here’s the list of best LGBTQ TV shows from *Rolling Stone* magazine: www.rollingstone.com/tv/tv-lists/lgbtq-tv-shows-watch-streaming-1012035/. 

— The author acknowledges Penelope Purdy for her valuable assistance in organizing this article.

Endnotes

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6. https://en.wikipedia.org/wiki/LGBT_pride.
7. “How A Gay Psychiatrist’s 1972 Speech Changed The Course Of LGBTQ History,” *NBC News*, www.youtube.com/watch?v=cltPwUfK6Vk.
8. *Obergefell v. Hodges*, 576 U.S. 644 (2015).
9. Tim Volk, www.tvolkco.com.
10. James E. Hughes, Jr., www.jamesehughes.com/.
11. *NBC News* (Feb. 17, 2022), www.nbcnews.com/nbc-out/out-news/percentage-lgbtq-adults-us-doubled-decade-gallup-finds-rcna16556.
12. *Family: The Compact Among Generations* by James E. Hughes, Jr.
13. For definitions, see <https://gaycenter.org/about/lgbtq>.

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