

OUTLINE FOR FAMILY CONSTITUTION TO MEMORIALIZE MISSION AND VALUES

Part I: Introduction

- Family Background
- Purpose and Goals of Family Constitution

The Mission of the Family Constitution

The Mission of the Family Business

The Mission of the _____ Family

Part II: History and Mission of The Family Business

Part III: History and Mission of The _____ Family

Core Family Values:

[These values are the values the family embraces and is committed to passing down from generation to generation by teaching them and living by them.]

Family Vision for the Business:

Family Commitment to the Business:

Standards and Expectations of Family Members:

Part IV: The Family Council and Family Assembly

The Family Council:

[The Family Council is an informal liaison between the company and the family. Its main goal is to develop family governance, meaning plans and policies that regulate and guide family activity. The Council works to satisfy the family's goals and strives to nurture an assembly of informed, contributing family members.

A family council aids family governance through governance activities:

- Mission setting
- Organizing meetings and gatherings
- Policy setting
- Communication
- Family relationship building and conflict management
- Education and development
- Family discipline
- Budgeting and financing of family activities

The Family Council shall consist of ____ family members and will typically meet in person ____ times each year, continuing communication via email and conference call between meetings, to ensure that the family council goals described above are being properly attended to, analyzed, and further developed. For the work and commitment of the Family Council, de minimis compensation is offered for both expenses for family activities and assemblies as well as participation as deemed appropriate.]

Terms for Family Council and Election for New Members

The Family Assembly

Part V: Family Benefits

Employment

Education

Travel

Family Trips

General Travel

Part VI: Family and Business Agreements

Ownership Structure

Buy/Sell Process

Business Dealings with the Family Business

Part VII: Conflict Resolution and Major Decisions

Major Decisions

Conflict Resolution

Part VIII: Conclusion