

2014 Planning and Progress Study

“Talking Money & Retirement”

Objectives and Methodology

Objectives

To understand -

- How Americans plan and whether they feel it needs improvement
- Where people are on the road to financial security and if they're moving in the right direction
- Attitudes toward money and financial decision-making; and how people prioritize
- The financial state of individuals and the country as a whole
- Perspectives on working with a financial advisor and the client experience
- How long people plan to work and whether it is by necessity or choice
- People's preparedness to live long lives

Methodology

Online survey of 2,092 U.S. Americans (via web panel) conducted between January 21st and February 5th, 2014.

- Qualified participants were those at least 18 years of age.
- Data is weighted to be representative of the U.S. population (age 18+) by education, age, gender, race, ethnicity, region and household income.

Key Findings

Talking About Money

Conversations about money are among the *most difficult* for U.S. adults to have – many adults say it is easier to talk about the “birds and the bees” (43%) or ask their adult children to move out (32%) than it is to ask a parent for money (19%) or ask a friend or family member to pay back a loan (26%).

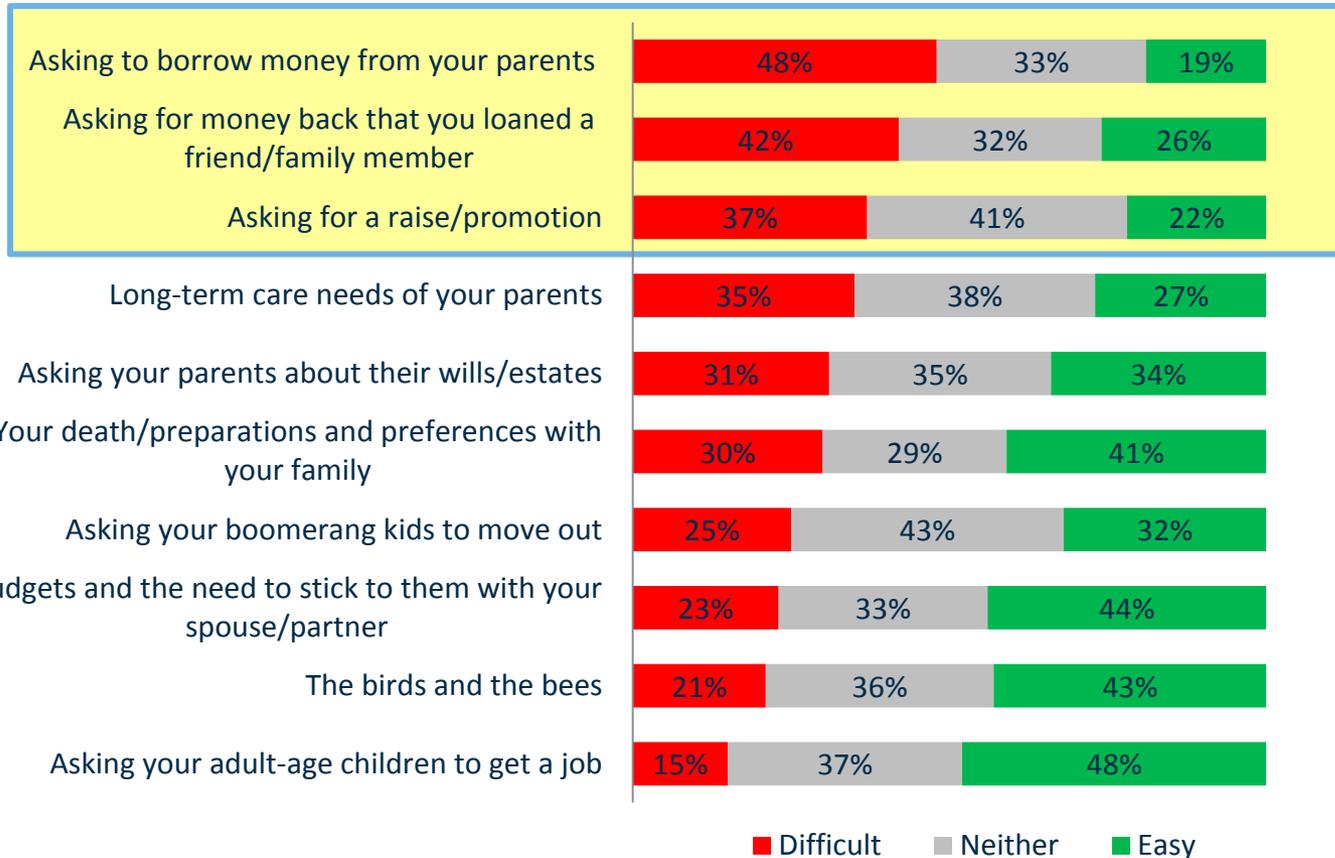
Discussing Retirement

Despite what appears to be serious concerns about retirement, two in five adults (42%) have not spoken to *anyone* about retirement.

- Those who are currently working feel they will retire at a much later age than those who are currently retired (68 years old for those working vs. 59 being the age current retirees entered into retirement).
- Working adults aged 60+ are the most pessimistic that they will retire at the “traditional” age of 65.
 - As retirement approaches for these adults, nearly two in five (38%) now estimate that they will have to work until age 75 or older before they can retire.

Talking About Sensitive Subjects: Level of Difficulty

While many adults find it difficult to discuss death preparations with their immediate family, or estate planning or long-term care needs with their parents, **money-related** conversations are the **most difficult** for U.S. adults.

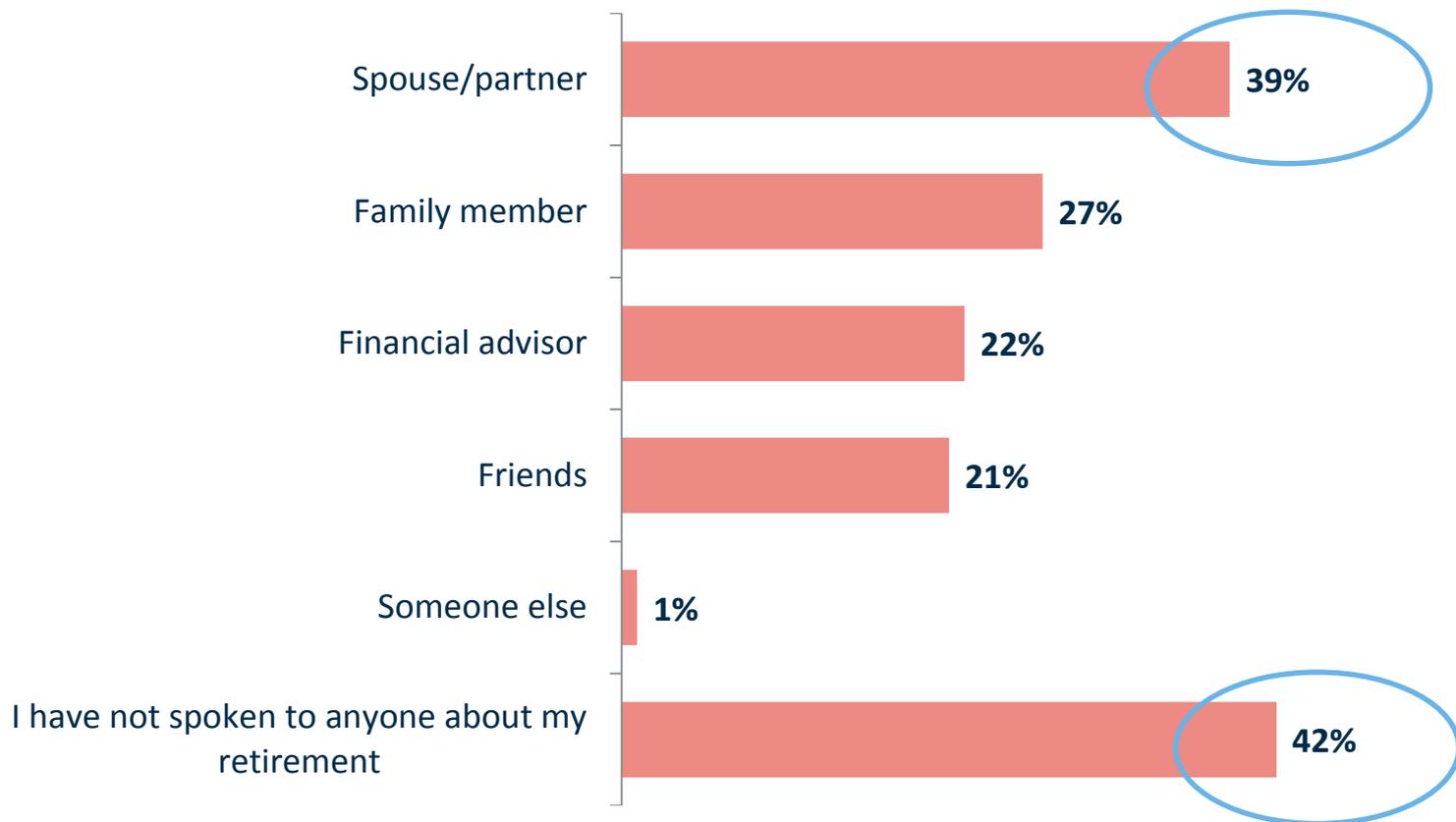


BASE: ALL QUALIFIED RESPONDENTS (n=2092)

Q1296 Based on the following conversation topics, how difficult do you think each conversation would be for you to have?

Discussing Retirement With Others

Roughly two in five U.S. adults have either spoken to their spouse/partner or have not spoken to anyone about retirement.



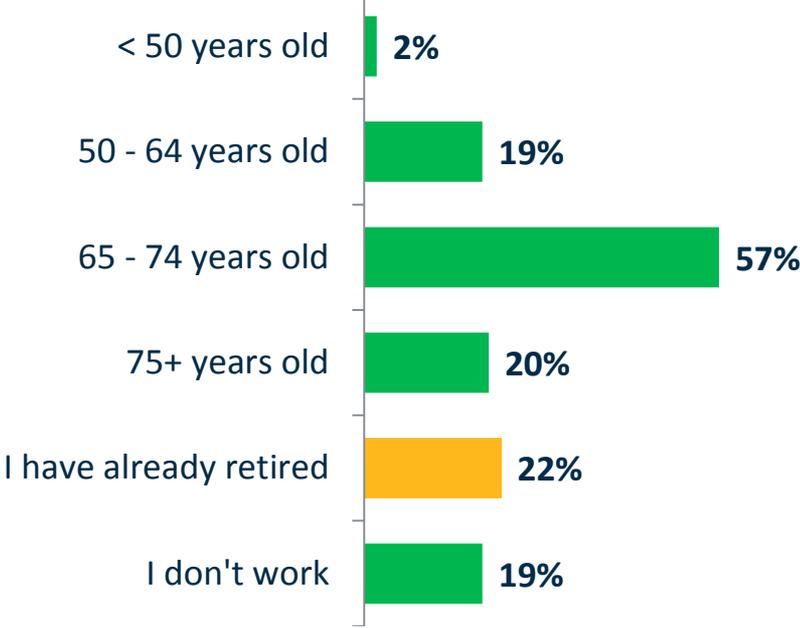
BASE: ALL QUALIFIED RESPONDENTS (n=2092)

Q1130 Who have you talked to about retirement?

Anticipated Age at Retirement

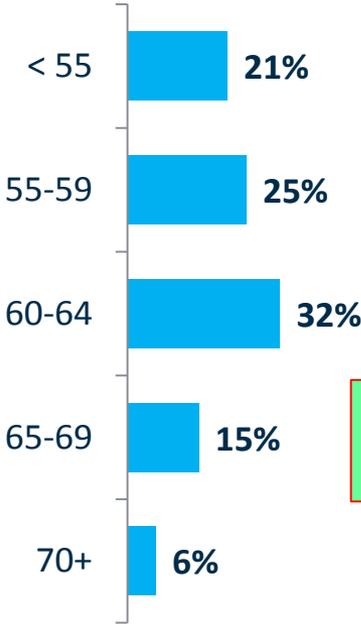
Those who are currently working feel they will retire at a much later age than those who are currently retired. The vast majority of those who are retired did so by choice, rather than out of necessity.

Will Work Until Retirement
(Until I am...years old)



Mean- 68.4

Age When Retired
Among those already retired



Mean- 59.0

By Choice 71%
By Necessity 29%

BASE: ALL QUALIFIED RESPONDENTS (n=2092)
Q1035 How long do you anticipate you will work before you retire?
BASE: ALL QUALIFIED RESPONDENTS WHO ARE RETIRED (n=499)
Q1040 At what age did you retire?
Q1045 Did you retire by necessity or was it your choice?

Anticipated Retirement Age (By Age)

Looking ahead to retirement, those who are **nearest retirement age** are the **least optimistic** that they will retire at the “traditional” age of 65 – with over one in three feeling that he or she will have to work to age 75 or beyond.

Will Retire at Age ... Among Working Adults	18 – 29 (A) (n=240)	30 – 39 (B) (n=294)	40 – 49 (C) (n=306)	50 – 59 (D) (n=211)	60+ (E) (n=152)
Younger than 45	5% BCDE	1%	0%	0%	0%
45 - 54	7% BCDE	2%	3%	0%	0%
55 - 64	21% E	15% E	17% E	22% BE	3%
65 - 74	53%	58%	61%	61%	59%
75+	14%	24% A	19%	17%	38% ABCD
Mean	64.7	69.5 A	69.1 A	68.6 A	73.3 ABCD

BASE: ALL QUALIFIED RESPONDENTS WORKING AND NOT RETIRED
Q1035 How long do you anticipate you will work before you retire? Until I am ___ years old.