

The Ameriprise Financial Story

Financial priorities differ from person to person. They can also differ from year to year. At Ameriprise Financial, we think it's important for you to have a plan that is tailored to your needs and has the flexibility to evolve with you. We take a unique, comprehensive and ongoing approach to financial planning called *Dream > Plan > Track >*[®]. We get to know you personally — your goals, your worries and your dreams. We then draw on our more than 110-year heritage to provide experienced guidance to help you develop a customized financial plan with the appropriate combination of products and services. An Ameriprise financial advisor will be there with you for the long run — making adjustments to your strategies and tactics, helping you stay on track. That's how The Personal Advisors of Ameriprise Financial help over 2 million people take control of their financial futures. Life is full of surprises and opportunities. We can help prepare you. **Get to What's next.**[®]

▶ **Money Across Generations**SM

A guide to having family financial conversations.



The Personal Advisors of
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Financial Planning ▶ Retirement ▶ Investments ▶ Insurance

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Get to What's next.[®]



Make the connection.

To have meaningful conversations about financial matters, it helps to first define your family and identify their dreams. “Family” is a broad term that may include single parents, blended families, adult children, married or unmarried partners and others. More complex relationships may mean more complex financial needs.

FACT:
Only 39% of boomers say they regularly talk about finances with family.*

When you talk about financial goals with your family, you can quickly see that everyone’s dreams are connected. Think about your own situation, then you can plan accordingly and avoid surprises.

Who’s part of your family?

(parents, kids, siblings, spouse/partner, extended family and friends)

What are your family’s dreams?

(college for children and grandchildren, a lake house, parents remaining in their own home, your own retirement)

Do you know?:
51% of children of boomers say that discussing money is likely to cause a family argument.*

▶ It runs in the family.

Today, many people are financially supporting parents, children, grandchildren or others while trying to secure their own financial future.

It seems that discussing financial matters, or not discussing them, is passed down from generation to generation. That’s a key finding of a recent study sponsored by Ameriprise Financial of the baby boom generation, their parents and their children. In fact, these conversations aren’t happening enough.

Why are money conversations so important? Talking about finances with your family can help you identify potential impacts on the progress toward your personal financial goals and create a more holistic plan to reach them.

Identify financial priorities.

How do you support your family?

(check all that apply and enter the annual amount)

Helping adult children

- College tuition \$ _____
- Buying a car _____
- Moving home _____
- Car insurance _____
- Cosigning loan _____
- Health insurance _____
- Paying rent/utilities _____
- Paying credit cards _____
- Mortgage down payment _____

Helping parents

- Cooking & cleaning \$ _____
- Transportation _____
- Home maintenance _____
- Groceries _____
- Utilities _____
- Medical bills _____
- Rent or mortgage _____
- Long-term care _____

Did you know?

41% of boomers have used their regular savings to assist a family member.

29% said helping their adult children slowed down their own retirement savings.*

How does your support for others affect your own financial goals?

(e.g., retirement, estate plan, financially independent children)

Balancing generosity with planning.

Imagine a 60-year old parent whose 30-year old child moved home to pay off credit card debt, but can't resist buying the latest cell phone, TV or car.

- > The parent might not be paying off the credit card directly, but may pay increased grocery, utility and household expenses.
- > Is the parent jeopardizing important savings goals, such as retirement, helping their child this way?
- > Is the child learning how to be financially responsible?

Getting everybody on the same page.

Whether it's an adult child moving home to save on rent or a parent needing help paying for prescriptions, it's important to see how the financial situation of each family member affects your own. Get conversations started by asking family about their wishes and goals.

> Talking to kids.

Nowhere is the adage "teach a man to fish" more relevant than with money and children. It is one thing to be there financially with a down payment on a house or college tuition. It's another thing to jeopardize your own goals.

> Talking to parents.

You may hope to help your parents pay for health care or other costs as they age. But have you planned to make it happen? While discussing money and goals can seem too personal, it may become necessary for you to assume responsibility for your parents' finances one day. Finding a way to speak frankly and openly today can help you plan for tomorrow.

> Talking to your advisor.

Once you have discussed financial matters with family, it's important to talk to your financial advisor who can help make a comprehensive plan for your family's future.

FACT:

37% of boomers say they've helped their children by cosigning a loan with them.

Only 28% of their parents said the same.*

How often have you discussed these issues with your children and parents?

- > Will preparation and estate planning
- > Wishes for the family home
- > Current financial situation
- > How to handle a catastrophic illness
- > Wishes for financial accounts
- > Medical expenses

Start to TALK.

Successful financial conversations balance your objectives, comfort and knowledge with the perspective of others. That's a lot to consider. Here's one way to keep the essentials in mind:

Think ahead. Begin with the understanding that your goal is to realize your life dreams and help your family reach theirs. Think of how you learned important things like taking responsibility for your own finances, saving for retirement or giving to others. Then, think about how you will teach others. Consider having important or sensitive conversations while doing something together — such as driving, walking or working on a project.

*Source: Ameriprise Financial *Money Across Generations* study, 2007.

Ask good questions. Avoid “yes” and “no” questions.

Open-ended questions move the conversation forward:

- 1) To parents: “What plans have you and Dad made to cover expenses in case of illness, emergencies or any special needs?”
- 2) To children: “How is your credit card debt keeping you from achieving your future goals?”

Your financial advisor can help you start conversations on specific issues, like helping an adult child with financial independence or aging parents with health care issues.

Listen first. Put your own comments on hold until you've really heard the answer to each question. If you're always moving on to the point you are planning to make, you miss the opportunity to discover what's most important to the other person.

Keep the conversation going. Life is always changing. Go back to family members and renew conversations often. Incorporate insights of others, including your financial advisor, whenever possible. Having ongoing conversations about family finances can help everyone plan for their future with confidence.



Take the first step. An Ameriprise financial advisor can help you and your family start important conversations and plan for your financial goals with our unique and collaborative *Dream > Plan > Track >*[®] approach to financial planning.