NEWS RELEASE

Ameriprise Financial Money Across Generations(SM) Study Reveals Finances Still a Taboo Topic at the Family Dinner Table

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MINNEAPOLIS--(BUSINESS WIRE)--

While signs of willingness to talk about finances and financial planning are appearing in younger generations, a reluctance across family generations to discuss these topics remains strong, according to the Ameriprise Financial Money Across Generations(SM) study. Although the "money taboo," often passed down from generation to generation, is being challenged by some boomers and the adult children of boomers, it's clear that conversations aren't happening enough in most families. This silence could become a liability as members of each generation attempt to pursue their financial goals and dreams independently.

Generations Progressively More Willing to Talk

Adult children of the boomer generation are more likely than their parents or their grandparents to say that their family regularly discusses money and finances. Forty-six percent of adult children of boomers say their family regularly has such discussions; whereas 39 percent of boomers and only 26 percent of boomers' parents say there are regular discussions about money and finance in the family.

This behavior is likely the result of how the adult children of boomers were raised. More than half, 54 percent, of adult children of boomers say that their parents had conveyed to them the idea that "money is something that should be discussed openly." Each older generation had expressed that idea with less frequency: 48 percent of the boomers themselves grew up in a household that believed that money should be talked about openly, and even

fewer, 44 percent, of the parents of boomers grew up in a household with that attitude.

More Boomers Having the Conversations about Money with Their Parents; Fewer Talking to Their Kids

While the adult children of boomers suggest they are more comfortable talking about money in the family, in fact, the boomers report having more relevant conversations with their aging parents than the adult the children of boomers report having with their parents:

-- 81 percent of boomers have discussed with their parents whether the parents have made a will, compared to 57 percent of the adult children of boomers who report discussing that same issue with their parents.

-- 72 percent of boomers have discussed with their parents the parents' wishes for their home or belongings, compared to 55 percents of the adult children of boomers.

-- 71 percent of boomers have discussed their parents' current financial situation, compared to 54 percent of adult children of boomers.

-- 71 percent of boomers have discussed with their own parents how they would like things handed if they had a catastrophic illness, compared to 50 percent of adult children of boomers.

-- 71 percent of boomers have discussed with their parents the parents' wishes for their financial accounts, while 40 percent adult children of boomers have done so.

-- 66 percent of boomers have discussed their own parents' medical expenses, compared to 41 percent of adult children of boomers.

"While boomers seem to be talking with their aging parents, they are not engaging with their adult children to the same extent about things such as their current financial situation and their wishes for their financial accounts," said Craig Brimhall, vice president of retirement wealth strategies for Ameriprise Financial. "While life stage issues require boomers to engage their aging parents in these discussions, it makes sense for boomers to consider how they are going to handle these issues for their own future and open a dialogue with their children sooner rather than later."

Boomers who haven't addressed their important money issues with their adult children most often give the reasons that they "haven't gotten around to it" (ranging from 42 to 49 percent of the time) or they "haven't thought about it" (ranging from 23 to 30 percent of the time).

"What is troubling about putting off these conversations is that the window of opportunity to take action through financial planning won't always be open," said Brimhall. "Getting on the same page is critical to see how the financial situation of each family member affects the others."

Across Generations, Too Few See Value in More Communication

Perhaps more troubling, the study reveals that most people do not want to engage in these conversations. When asked, "Do you wish money matters had been discussed more openly while you were growing up?" there is a strong majority that do not, in fact, wish there had been more talk about money. The study found that 61 percent of the parents of boomers do not wish there had been more talk about money while growing up, with 56 percent of boomers and 59 percent of the adult children of boomers agreeing. However, boomers who heard messages that money should be discussed openly while growing up are more likely than those who did not to have adequately discussed important money issues later with their adult children, with discussions about their current financial situation and their wishes for their financial accounts significantly more likely to have taken place.

"Granted, discussing money in families can generate tension. But the consequences of not talking about money issues outweigh any possible benefits of remaining silent," said Brimhall. "As each generation faces an increasing number of financial challenges every day, there's no reason to go it alone. Now is the time to get families talking and asking questions so that they can each get their financial dreams and needs on the table. Creating a legacy of openness around money and finances helps lay the groundwork for financial responsibility across generations."

About the study

Working with GfK Roper Public Affairs, a leading global marketing research and consulting firm, Ameriprise Financial launched the national study in April and May 2007. Telephone interviews were conducted among 1,001 affluent baby boomers (those with $100,000 or more in investable assets); 300 parents of baby boomers; and 301 children of baby boomers at least 18 years old. Survey data were weighted to Current Population Survey statistics. The margin of error is +/- three percentage points for the affluent boomers segment and +/- six percentage points for the parents and children of boomers segments. To help shape the research study, focus groups were conducted with boomers in San Francisco, Miami, Denver, and Dallas to explore intergenerational issues affecting their daily lives.

Copies of the study report are available at http://www.ameriprise.com/presscenter.

About Ameriprise Financial

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