



Fact Sheet

Rethinking Retirement: Generational Relationships

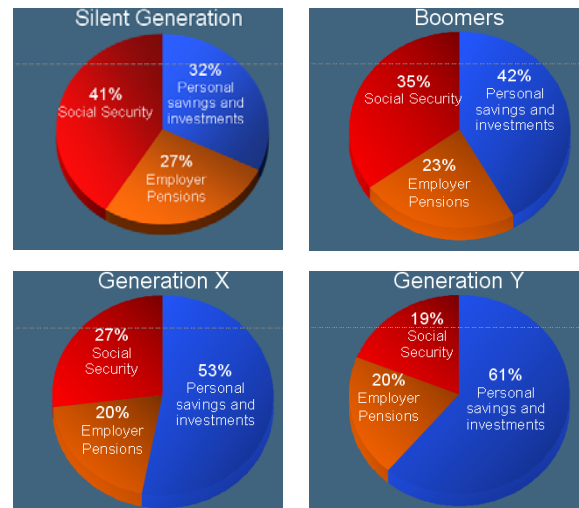
Four American Generations Share Their Views on Life's Third Act

Schwab talked to thousands of American adults—across four generations—about their hopes and dreams for their later years and how they see themselves—and society—responding to the financial and social challenges of retirement. We heard from:

- Silent Generation, retired people (ages 63 to 83);
- Baby Boomers, the next generation of retirees (ages 44 to 62);
- Generation X (ages 32 to 43); and
- Generation Y (ages 21 to 31).

Where we might have expected to find stark differences among the generations, shared values and solutions emerged. On a personal level, the general outlook on retirement is optimistic. Across all ages, however, it's tempered with concern that society is not prepared to handle the needs of the cascade of coming retiring generations. Some specific findings include:

- With each succeeding generation, there is a pronounced mind shift from dependence on the government toward financial self-reliance.
- On average, 26 percent of survey respondents worry they will have to support a sibling. Almost a third (31 percent) of Generation Y believes they will be helping to financially support a sibling.
- Forty percent of all respondents worry they will have to contribute to their parents' finances; however, a higher percentage (53 percent) of Generation Y has this concern.



- Medical expenses are the top concern about retirement security: 36 percent say their top worry is non-covered medical expenses. Twenty-three percent say their top worry is a lack of savings; 20 percent worry about outliving their savings; and 17 percent are concerned about a dearth of Social Security benefits.
- A third (34 percent) of the Generation Y respondents say they are not expecting to receive any Social Security benefits. They are also five times more likely to believe the North Pole will melt in their lifetime than to believe they will receive the same level of Social Security benefits as today's retirees.

About the Study

This landmark, cross-generational study was initiated by Charles Schwab in collaboration with Age Wave. All data collection and analysis was conducted online in the United States by Harris Interactive®. All

interviews were conducted online from March 28 to April 22, 2008. A total of 3,866 were conducted among 21-83 year olds. The sample is representative by age, gender, race, income, investable assets, education and region for each of the four generations studied. An oversample was conducted by generation among the major non-White ethnic groups (Hispanics, African Americans and Asians) to ensure adequate representation by ethnicity across all generations. No estimates of theoretical sampling error can be calculated; a full methodology is available.

About Charles Schwab

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About Age Wave

Age Wave is the world's leader in market analysis and innovative insights concerning the boomer and mature adult sectors. Drawing on thirty+ years experience, Age Wave has developed a unique understanding of the population's expectations, attitudes, hopes and fears regarding retirement and maturity-related lifestyle and workstyle issues. Under the leadership of Ken Dychtwald, Ph.D., Age Wave has overseen hundreds of cutting-edge research, training and consulting assignments worldwide across a variety of industry sectors including financial services, healthcare, food and beverage, retail, travel, media, communications real estate and technology. www.agewave.com.

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