FOR WOMEN: A TIAA FINANCIAL ESSENTIALS WORKSHOP

She’s Got It:
A woman’s guide to savings and investing
Agenda

She’s got it: A woman’s guide to saving and investing

- Financial goals and strategies
- Basics of saving and investing
- Strategies for when life happens
- Next steps
Set long-term financial goals:

- Retirement
- Paying for college
- Protecting your assets
- Long-term care
- Building a financial legacy
Set short-term financial goals:

- Create an emergency fund
- Purchase a new car
- Do home improvement projects
- Travel or take a vacation
Financial personality type quiz
<table>
<thead>
<tr>
<th>Financial personality types</th>
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</thead>
<tbody>
<tr>
<td><strong>The Doer</strong></td>
</tr>
<tr>
<td>What are your key frustrations in setting financial goals and achieving them?</td>
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<tr>
<td><strong>The Learner</strong></td>
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<tr>
<td>If you could wave a magic wand to achieve one saving or investment goal, what goal would that be?</td>
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<tr>
<td><strong>The Provider</strong></td>
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<td>What keeps you up at night regarding your money management?</td>
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<tr>
<td><strong>The Planner</strong></td>
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<tr>
<td>What is the tactic or technique you use in money management that really works for you?</td>
</tr>
</tbody>
</table>
Saving and investing basics

- Pay yourself first!
- Set aside an emergency fund
- Take advantage of your employer’s plan
- Increase contributions when you get a raise
- Two secrets of what makes money grow
Savings challenges women may face:

- May need to save more money due to longevity
- May have fewer years to save the necessary amount
- May not be able to save as much from year to year
A closer look at investing

The four basics to consider:

- Investment risk
- Volatility
- Asset allocation and diversification
- Expenses
Types of investment risk

- Interest-rate risk
- Inflation risk
- Foreign investment risk
- Market risk
- Market-timing risk
Understanding market volatility

*Diversification is a technique to help reduce risk. There is no guarantee that diversification will protect against a loss. Past performance is no guarantee of future results.
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She’s Got It: A woman’s guide to savings and investing
There are inherent risks in investing in securities. Past performance is no guarantee of future results. In addition, investment returns and principal value will fluctuate so your accumulation, when redeemed, may be worth more or less than the original cost.

* Subject to the issuer’s claims-paying ability.

** In California, the TIAA Real Estate Account is available through IRAs, but not all employer-sponsored plans. Please contact us to determine if your institution’s plan can accept investments into the account.
Understanding diversification

- Spreads risk among different asset classes
- Potentially reduces overall portfolio volatility
- To diversify, allocate assets…
  - Across asset classes
  - Within asset classes

Diversification is a technique to help reduce risk. There is no guarantee that diversification will protect against a loss of income.

* Based on the claims-paying ability of the issuer.
Investment expenses matter

A hypothetical illustration:

$10,000 invested over 30 years earning 6%

This chart assumes expenses are withdrawn from the account at year-end, based on year-end assets. It is presented for illustrative purposes only and does not reflect actual performance, deduction of taxes or predict future results of any TIAA account. Before committing money to an account, be sure to check its expenses. However, lower expenses do not mean higher returns. The rate of return is purely hypothetical.
The financial game of life

- Read the scenario to the group and discuss what you’d do in this situation
- Talk about how this may affect your goals, and what you can do to still move towards them
- Choose a scribe to take notes for your group
- Select one person who will report back to the larger group
Married

- Make financial planning a partnership
- Discuss financial strategy as a couple
- Set and discuss joint savings goals
- Understand your rights
- Update Legal documents
  - Change beneficiaries
  - Titling of Assets
  - Wills, Power of Attorney and Healthcare Directives
Suddenly single

- Seek advice before making financial decisions
- Understand your rights
- Re-evaluate financial goals
- Update Legal documents
  - Change beneficiaries
  - Titling of Assets
  - Wills, Power of Attorney and Healthcare Directives
Long-term relationship

- Review state laws and seek legal guidance
- Maintain independent financial identities
- Plan for what the law does not provide:
  - Social Security—does NOT pass to a partner
  - Estate Plan / Will—don’t let the state decide
  - Retirement Accounts—saving is even more important
  - Power of Attorney—make sure your partner has power
  - Healthcare Directives—dictate the power to choose
  - Domestic Partnership Agreement—make it legal
Staying single

- Set goals and determine savings and investment strategy
- Choose a beneficiary
- Establish legal documents
  - Will
  - Power of Attorney
  - Healthcare Directives
- Plan for long-term care
Balancing care for children and/or parents

- Discuss financial plans now with your relatives
- Maintain your goals
- Contribute to retirement—even when you aren’t working
- Budget for the unexpected
  - Travel cost to take care of loved ones
  - Unpaid time off from work
  - Assistance with medical bills
Financial planning and goal setting for any life event

- Seek help from a trusted financial advisor or consultant
- Review budget, cash flow and net worth
- Have adequate emergency fund
- Review life insurance
- Set/revise retirement goals, even when you are not working
Additional women’s resource:
The Women’s Community

Woman2Woman: Financial Living at tiaa.org/woman2woman

She’s Got It: A woman’s guide to savings and investing
TIAA is here for you.

- Retirement and tax-advantaged options
- Traditional and Roth IRAs
- College savings
- Life insurance
- Brokerage services
- Mutual funds

Schedule an appointment with a Financial Consultant today.

The products and services referenced above are offered by various entities within the TIAA group of companies.
A man reaching age 65 today can expect to live until age 84 — but a woman turning 65 today can live to 87.¹

¹Social Security Administration, Life Expectancy calculation website, accessed June 2016

Roughly two-thirds of family caregivers are still women. This leaves them with fewer working years. Caregiving reduces paid work hours for middle-aged women by about 41 percent. Overall, the negative impact on a caregiver’s retirement fund is approximately $40,000 more for women than it is for men.²


According to the Bureau of Labor and Statistics, in 2015, women earned 81% of men’s salaries (based on median weekly earnings for full-time workers).³


According to the Family Caregiver Alliance, women provide the majority of informal care to spouses, parents, parents-in-law, friends and neighbors. The average caregiver is a 49-year-old woman, caring for her 60-year-old mother. Unmarried female caregivers have fewer options for balancing working and caregiving. Time spent out of full-time employment impacts a woman’s chances of earning employer retirement benefits.⁴

In fact, adults living together -- or cohabitating -- has increased 900% in the last 50 years. 70% of women ages 30 to 34 cohabited with a male partner, and two-thirds of new marriages take place between couples who have already lived together for an average of 2½ years.\(^5\)


Following the 2015 U.S. Supreme Court decision in favor of same-sex couples having a constitutional right to marry in all states, more same-sex couples will be recognized as married for purposes of determining entitlement to Social Security benefits.\(^6\)

\(^6\)Social Security Administration, “Important Information for Same-Sex Couples,” accessed June 2016

Social Security benefits, too, can be complicated. Adults who live together, but are not married, are not eligible for their partner’s dependents’ or survivors’ Social Security benefits.\(^7\)


Studies show that a 20-year-old worker has a one-in-four chance of becoming disabled before reaching full retirement age.\(^8\)

\(^8\)Social Security Administration, “Disability Benefits,” accessed June 2016
You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877-518-9161 or log on to TIAA.org for current product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

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