

INSIGHTS ON WEALTH AND WORTH™

WOMEN AND WEALTH

Fact Sheet

As part of the 2013 *Insights on Wealth and Worth*™, U.S. Trust surveyed high net worth women across the country to better understand their perspective and behavior related to wealth and wealth management. This research builds on a vast body of proprietary research and third-party analysis conducted by U.S. Trust as part of its Women and Wealth offering.

OVERVIEW

Women create and control an increasing share of wealth and have a powerful economic influence in the workforce and at home – as business owners, executives, investors, philanthropists, consumers, caregivers and role models for the next generation. They have a distinct perspective and set of behaviors, shaped by their experiences, upbringing, outlook and goals that uniquely affect their income, financial security, wealth and wealth planning needs.

While high net worth men and women have similar wealth goals, they may prioritize them differently and take their own approach to reaching them. Women are focused on investment growth, but are cautious in their actions. The majority of women feel confident in their overall financial knowledge, yet they feel less prepared than men to handle important financial matters such as saving for retirement.

Planning and financial decision making is influenced by the sense of responsibility women feel for the wellbeing of immediate and extended family, the community and society at large. However, their role as caretaker often is at the expense of their own career, earnings potential and personal financial security. Women feel far more strongly than men about the social, political and environmental impact of investment decisions, and their actions reflect a desire to invest time, money and energy in companies and causes that support their values.

SURVEY OVERVIEW

The 2013 survey is based on a nationwide study of 711 adults with at least \$3 million in investable assets, including 33 percent with \$3M - \$5M; 33 percent with \$5M - \$10M and 34 percent with more than \$10 million.

As part of this research, U.S. Trust analyzed responses of 268 high net worth women, including 53 percent with \$3M-\$5M; 32 percent with \$5M-\$10M and 15 percent with more than \$10M in investable assets.

- 67 percent married
- 32 percent unmarried/separated
- 68 percent have children
- 59 percent work full or part-time or own a business
- 23 percent retired

U.S. Trust's *Insights on Wealth and Worth* is one of the most in-depth studies of its kind to explore the attitudes, preferences, goals and needs of high net worth and ultra high net worth individuals in the United States. U.S. Trust has conducted surveys of wealthy Americans periodically since 1993.

WOMEN AND INFLUENCE ON FAMILY AND SOCIETY

Women have a powerful influence on the wealth and wellbeing of family, not only financially but also through the time and energy they spend caring for others. Women want to use their wealth in ways that will have a positive social impact, particularly when it comes to companies and causes in which they invest time and money.

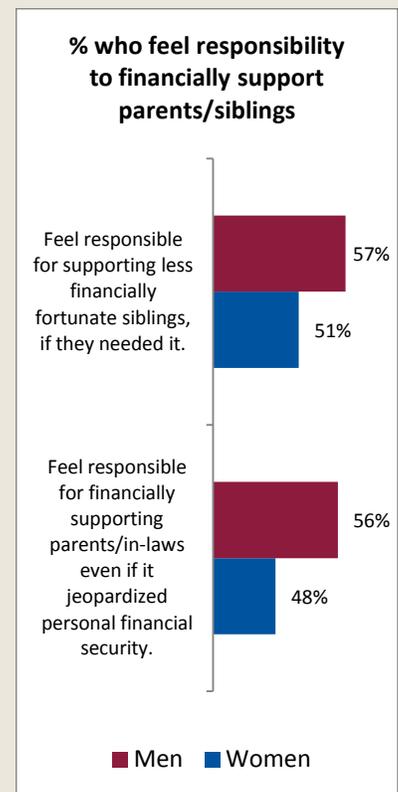
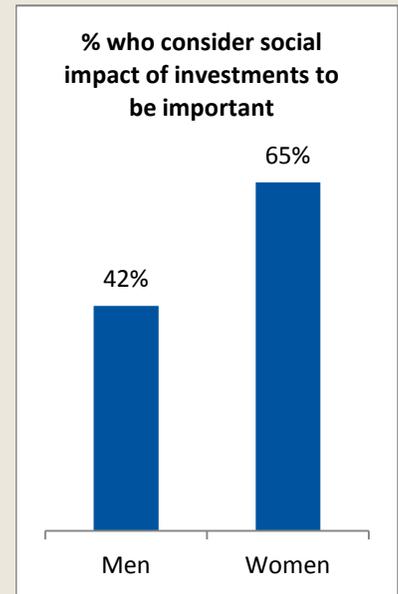
- Sixty-five percent of women, compared to 42 percent of men, think it's important to consider the positive or negative social, political and/or environmental impact of companies they invest in.
- Women feel so strongly about the social impact of their investments, that two-thirds (56%), compared to 44 percent of men, would be willing to accept a lower return from investments in companies that have a greater positive social impact.
- Nearly three-quarters (72%) of women say they would not want to invest in a company that negatively impacts society or the environment. Despite the strength of their convictions, only one-quarter of women have reviewed their investment portfolio to assess the social, political and environmental impact of companies in which they are invested.
- Women are nearly twice as likely as men to say that giving to charity is the most satisfying aspect of having wealth.
- Forty-two percent of women provide substantial financial support to adult family members other than their spouse, including adult children, parents, siblings and other extended family.
- Nearly half of women (48%) said they feel financially responsible for their parents/in-laws wellbeing even if it were to jeopardize their own financial security, and 51 percent feel responsible for providing financial assistance to less fortunate siblings if needed.
- Thirty-seven percent of women say they devote more time than their spouse does as a caregiver to aging parents or relatives.
- Nearly four in 10 women (39%) have forfeited income or advancement of their career in order to care for the special needs of children or parents.

WOMEN AND FINANCIAL SECURITY

The vast majority of women feel financially secure and confident in their overall financial skills and knowledge; however, fewer women than men feel that they were well prepared in life to handle important financial matters, with the greatest gap in their knowledge about saving for retirement. Lack of planning and preparedness may contribute to uncertainty and increased financial risk for women.

- Sixty-two percent of women compared to 76 percent of men feel financially secure about the future. Of women who don't feel financially secure, the top reason cited is their concern about having enough income in retirement.

KEY FINDINGS



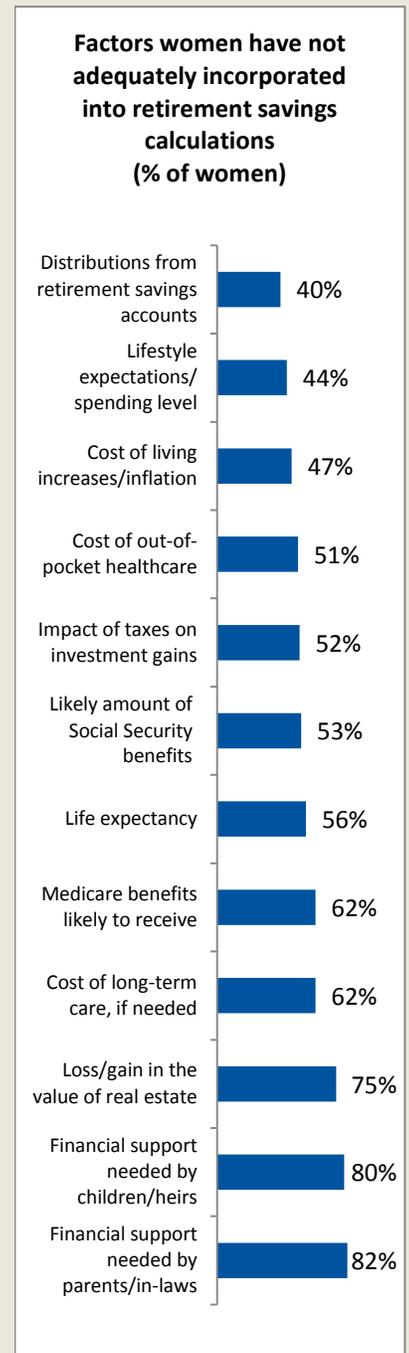
- Sixty-two percent of women feel they have financial skills to save for retirement. However, only 43 percent of women, compared to 59 percent of men, are very confident they have planned sufficiently for retirement income.
- Far fewer women than men have accounted for circumstances that could affect their income and lifestyle in retirement, including their own life expectancy, lifestyle expectations, cost of healthcare and long-term care, cost of living increase and taxes.
- Only 35 percent of high net worth women compared to 47 percent of high net worth men consider themselves wealthy.

WOMEN AND INVESTING

As investors, women and men closely mirror each other in terms of their investment goals and priorities, but they begin to diverge when it comes to incorporating risk into their strategy.

- Nearly two-thirds (63%) of women say asset growth is a higher investment priority than asset protection.
- Only about one-third of women (35%) compared to about half of men (52%) strongly agree that they have a good understanding of how much risk they can tolerate when it comes to investment strategy.
- Two-thirds of women (65%), compared to one-half (51%) of men have large cash positions, and 41 percent of women, compared to 31 percent of men, have no plan to move it into investments.
- Only one-quarter of women (27%) feel very well informed about the impact of taxes on investment returns.
- Women are less likely than men to have important financial documents and estate planning tools in place. More than three quarters (78%) of women do not have a comprehensive estate plan, 36 percent do not have a will, 51 percent have not named a health proxy and 66 percent have not named a durable power of attorney.
- Sixty-two percent of men have named their wife as executor of their estate. Among survey respondents who have previously served as an executor or trustee, 44 percent of women, compared to 25 percent of men, said financial knowledge and skills were the most challenging aspects of fulfilling their responsibilities.
- Sixty-three percent of women and 70 percent of men say they have organized all their personal, financial, medical and legal records and information in one place; however, only 49 percent of women and 57 percent of men have let the executor of their estate know how to access the information.

KEY FINDINGS



Additional survey findings from the 2013 U.S. Trust Insights on Wealth and Worth can be found at www.ustrust.com/survey.

Survey Methodology:

U.S. Trust 2013 Insights on Wealth and Worth is based on a nationwide survey of 711 high net worth and ultra high net worth adults with at least \$3 million in investable assets, not including the value of their primary residence. Respondents were equally divided among those who have between \$3 million and \$5 million; \$5 million and \$10 million and \$10 million or more in investable assets. The survey was conducted online by the independent research firm Phoenix Marketing International in February and March of 2013. Asset information was self-reported by the respondent. Verification for respondent qualification occurred at the panel company, using algorithms in place to ensure consistency of information provided, and was confirmed with questions from the survey itself. All data have been tested for statistical significance at the 95 percent confidence level.

About U.S. Trust

U.S. Trust, Bank of America Private Wealth Management is a leading private wealth management organization providing vast resources and customized solutions to help meet clients' wealth structuring, investment management, banking and credit needs. Clients are served by teams of experienced advisors offering a range of financial services, including investment management, financial and succession planning, philanthropic and specialty asset management, family office services, custom credit solutions, financial administration and family trust stewardship.

U.S. Trust is part of the Global Wealth and Investment Management unit of Bank of America, N.A., which is a global leader in wealth management, private banking and retail brokerage. U.S. Trust employs more than 4,000 professionals and maintains 140 offices in 32 states.

As part of Bank of America, U.S. Trust can provide access to a broad range of banking solutions for individuals and businesses, and an extensive retail banking platform.

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