



Parents and Grandparents College Savings Survey





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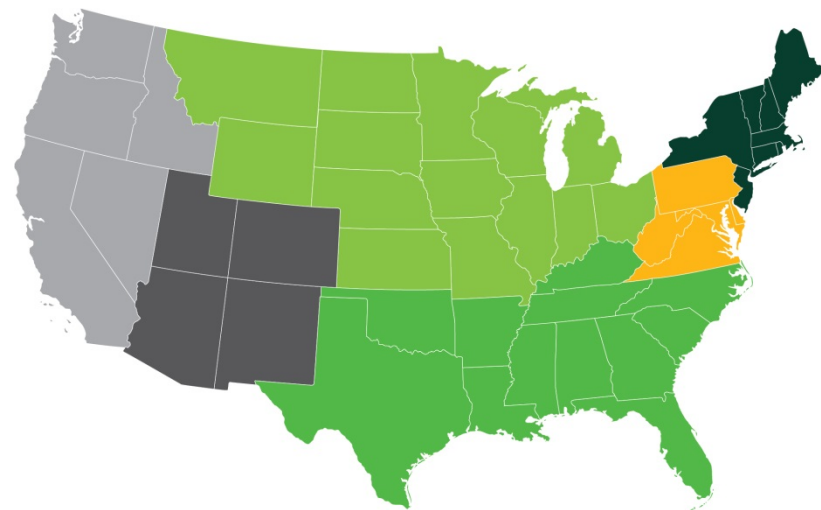
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Research Method

<p>WHO</p> <p>2,018 American adults (half Millennial Parents, half Grandparents with Millennial Children)</p>	<p>WHAT</p> <p>Online Survey</p>	<p>WHEN</p> <p>October 20-26, 2016</p>
<p>Average time to complete survey: 18 minutes</p>	<p>49% Male 51% Female</p>	<p>CONDUCTED BY</p> <p>Head Solutions Group on behalf of TD Ameritrade Holding Corporation¹</p>



West	Southwest	South
20%	11%	26%
Mid-Atlantic	New England	Midwest
16%	5%	22%

Throughout this report, ▲▼ arrows indicate a significant difference between Millennial Parents and Grandparents.

Callouts show significant differences between subgroups noted (i.e. Males and Females, or between Ethnicities) within Millennial Parents (shown in green callouts) or within Grandparents (in yellow), or between a subgroup and the total sample of Millennial Parents or Grandparents.

This survey was conducted by Head Solutions Group on behalf of TD Ameritrade Holding Corporation.¹

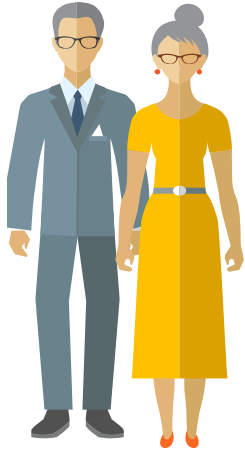
The statistical margin of error for the total sample of N=2,018 American adults within the target group is +/- 2.1 %.² This means that in 19 out of 20 cases, survey results will differ by no more than 2.1 percentage points in either direction from what would have been obtained by the opinions of all target group members in the U.S. Sample was drawn from major regions in proportion to the U.S. Census.

¹ Head Solutions Group (U.S.) Inc. and TD Ameritrade Holding Corporation are separate, unaffiliated companies and are not responsible for each other's products and services.

² Assumes survey participants are the same as non participants.

Note: Percentages may not add up to 100 due to rounding.

Key Findings



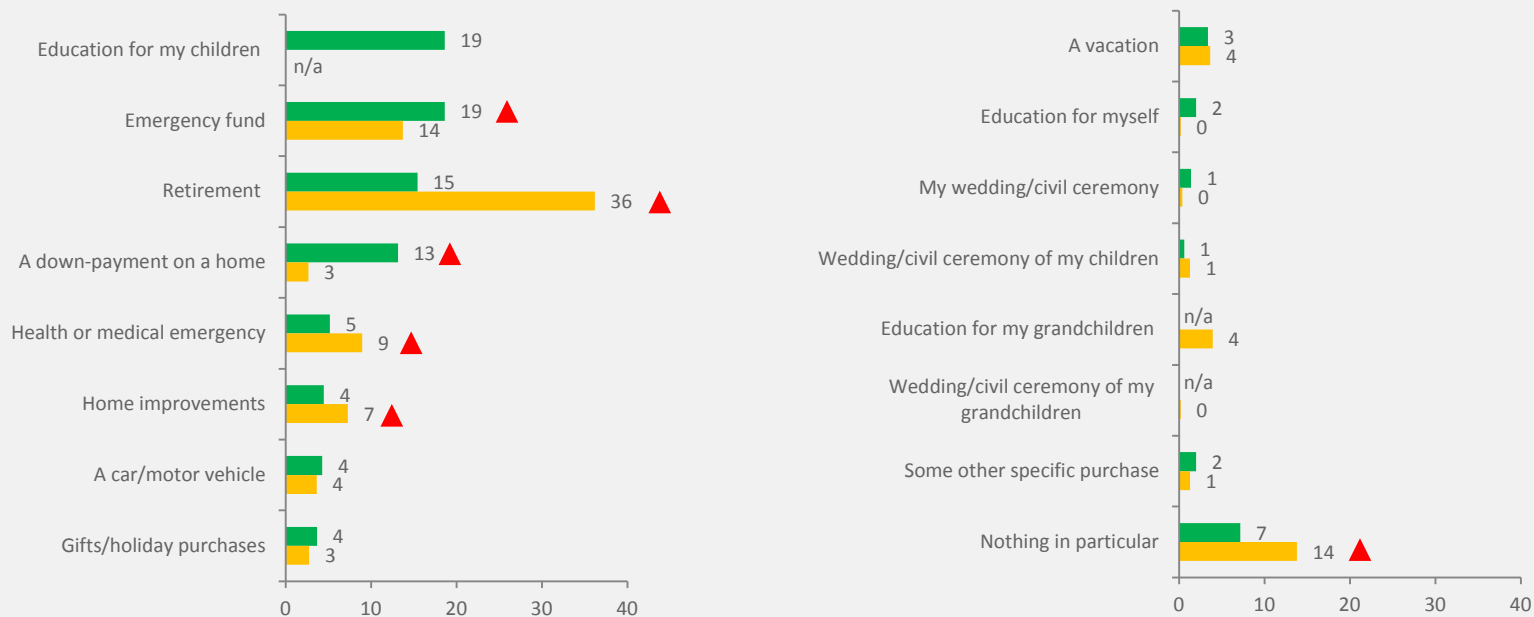
- Millennial parents prioritize education for children and emergency savings over retirement savings as their top savings priorities. As expected, grandparents put their retirement savings first.
- Millennial parents have \$9,180 in student debt, on average, and \$11,995 in other debt such as credit card balances, lines of credit and personal loans.
 - Two-thirds (64%) of millennial parents who have student debt believe it is likely that the debt will be paid off before their own children reach college age.
- Nine in 10 millennial parents plan to pay at least some of their child's college fees.
 - Millennial parents who expect their child to go to college are prepared to eat out less (50%), spend less money on themselves (50%) or live a simpler lifestyle (49%) to save money for their child's college fees.
 - Six in 10 (60%) grandparents have paid at least some of their children's college fees.
 - Six in 10 millennial parents say they are "happy to help" pay the college fees of their children.
- Six in 10 millennial parents who do not expect to pay in full for their child's college believe that their child should take responsibility for some/all fees.
- During teenage years, 6 in 10 (61%) millennial parents held a part-time job in the summer compared to half (52%) of grandparents who did the same.
- Six in 10 (63%) grandparents believe they prepared their children for the "real world" very well.
 - Millennials and grandparents alike were most likely to be taught about the real world through learning basic household skills (59% and 71% respectively).

Millennial parents prioritize education for children and emergency savings over retirement savings as their #1 savings priorities. As expected, grandparents put their retirement savings first

Which of the following is your #1 savings priority?

%, in order of Millennial Parents %

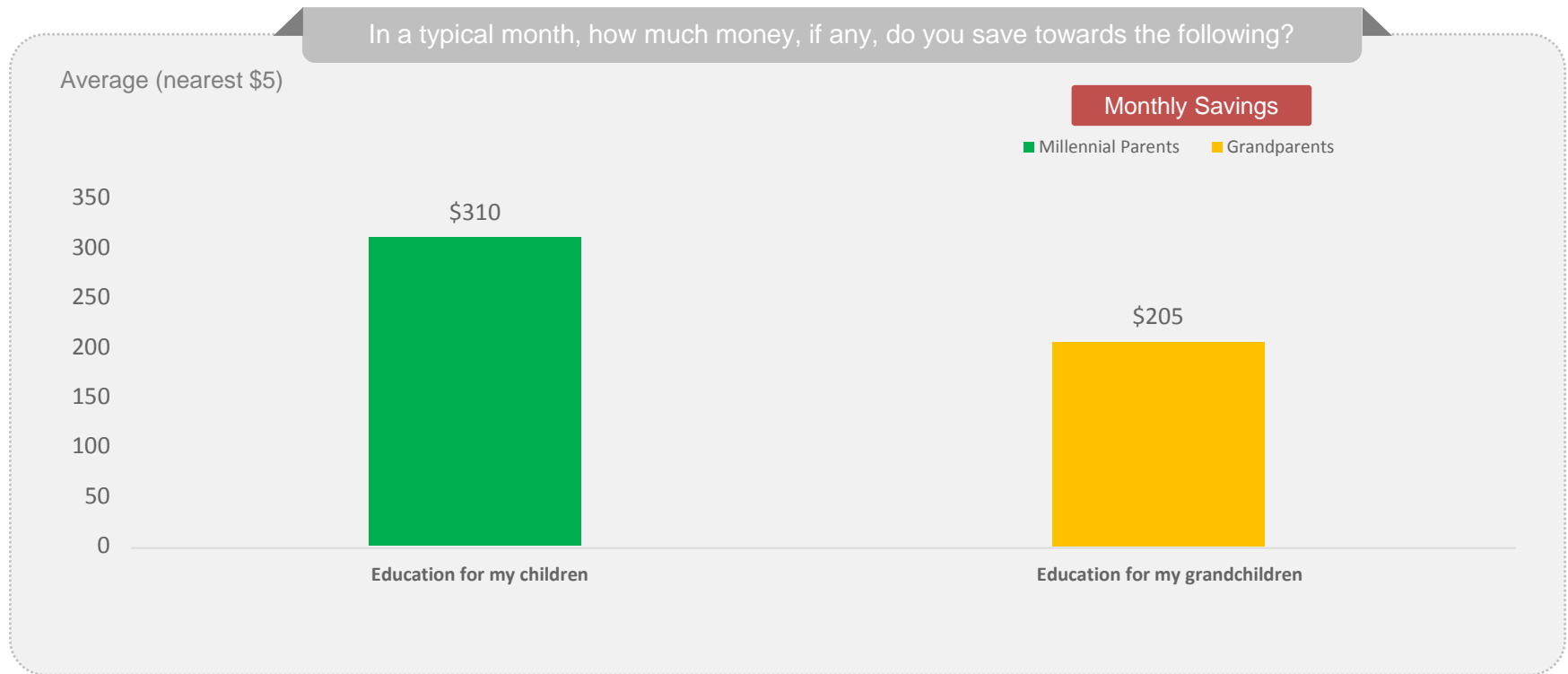
■ Millennial Parents ■ Grandparents



Q200b. Base: All Millennial Parents n=1,004; All Grandparents n=1,014

Arrows indicate a significant difference between Millennial Parents and Grandparents at 95% confidence

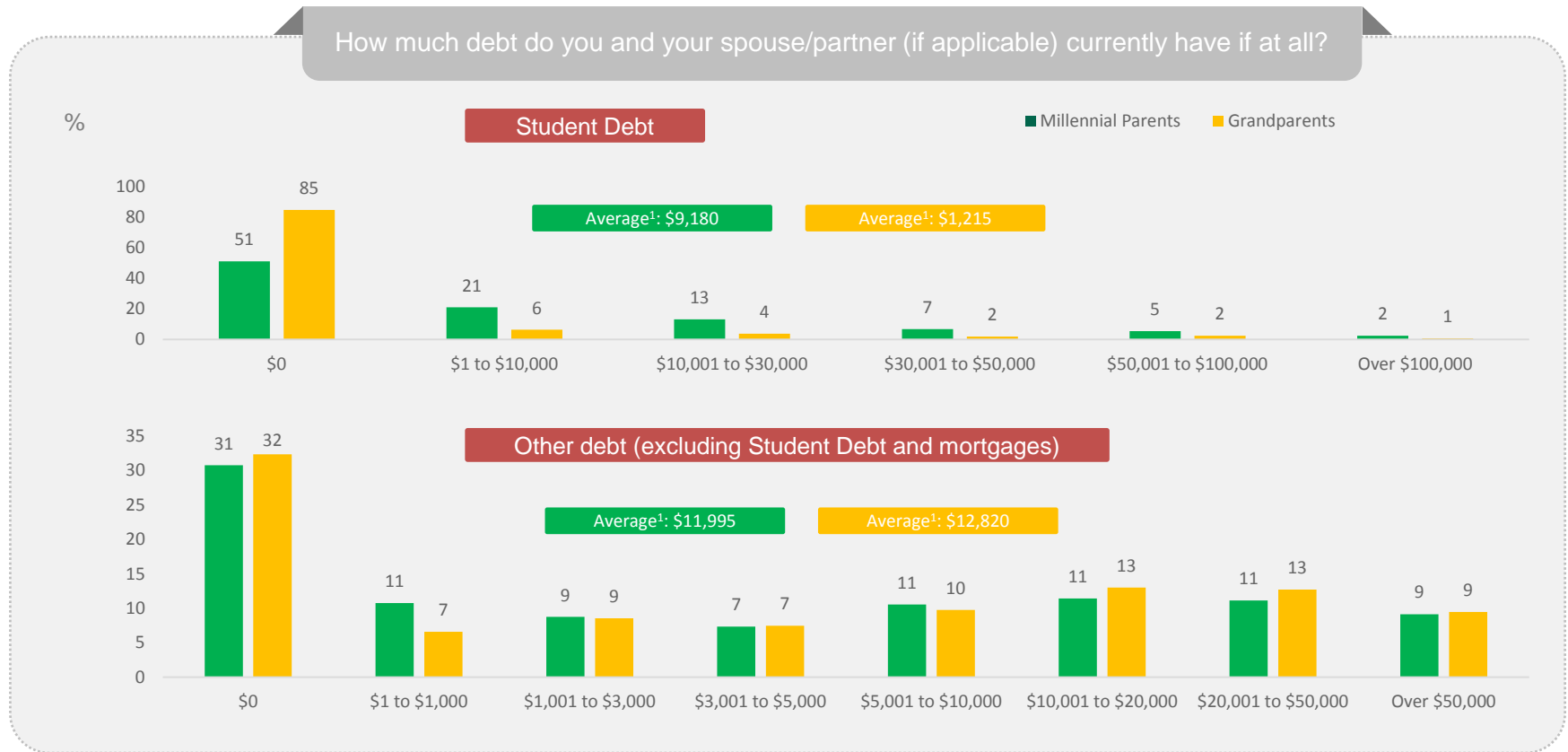
Millennial parents who are saving for their children's education are saving, on average, \$310 per month, while grandparents are saving a monthly average of \$205 toward their grandchildren's education



Q205. Base: All saving for education for children: Millennial Parents, n=563, All saving for education for grandchildren: Grandparents n=206.

Millennial parents have \$9,180 in student debt, on average, and \$11,995 in other debt such as credit card balances, lines of credit and personal loans

- Grandparents still hold \$1,215 in student debt, and a further \$12,820 in other debt (excluding student loans and mortgages)

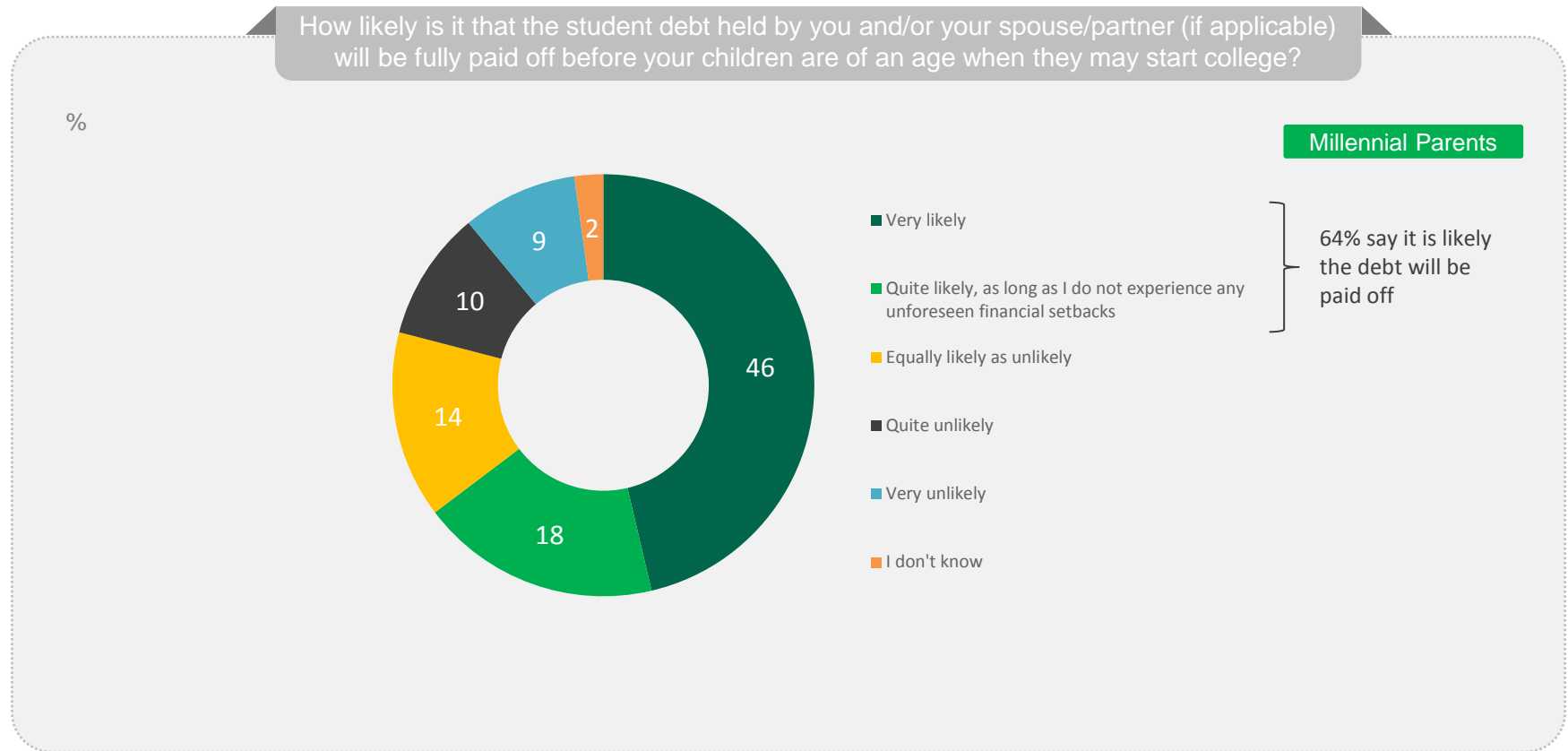


Q220. Base: All Millennial Parents n=1,004; All Grandparents n=1,014

¹ Trimmed Average, excluding top and bottom 5% to reduce impact of outliers

Two-thirds (64%) of millennial parents who have student debt believe it is likely that the debt will be paid off before their own children reach college age

- However, we know that grandparents still carry \$1,215 in student debt

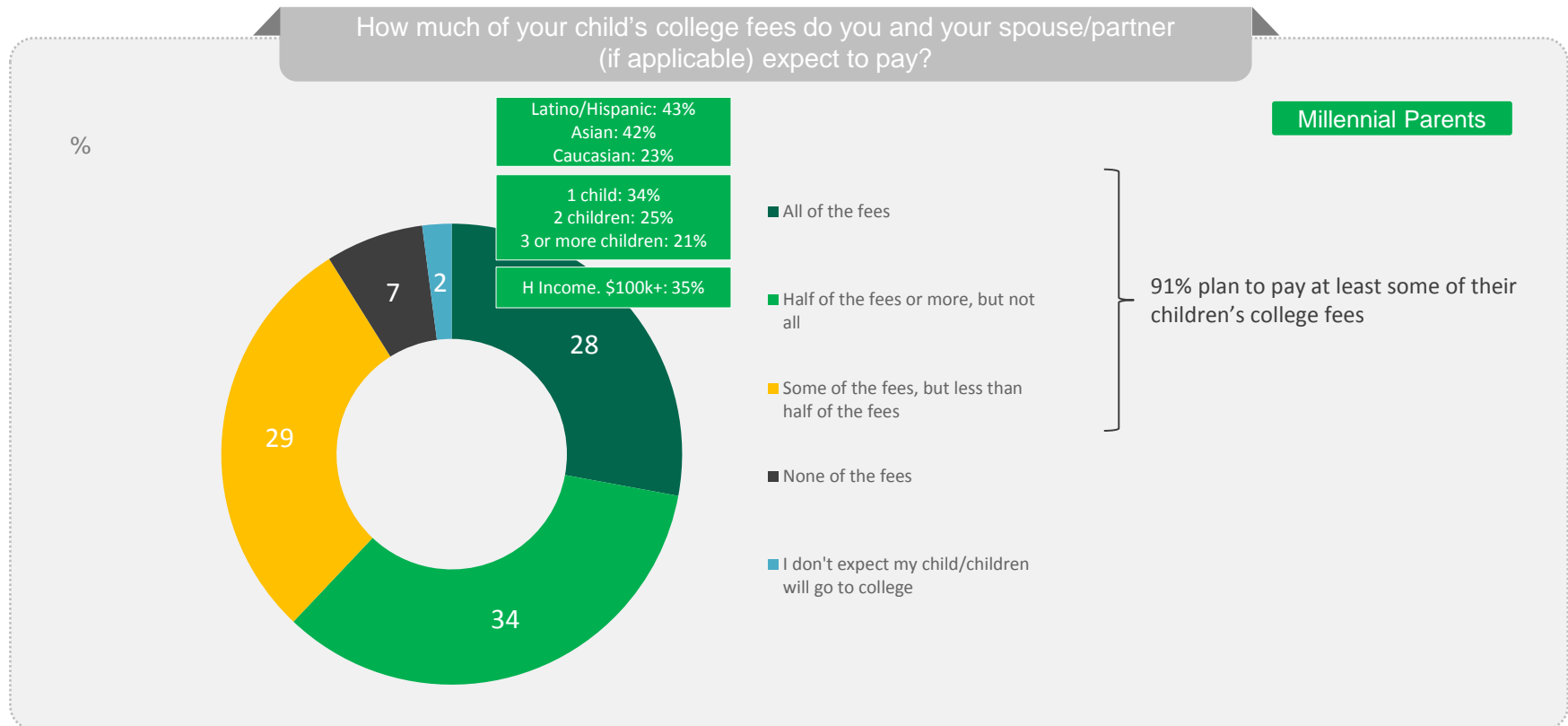


A photograph of a family of four—two adults and two children—smiling and looking towards the camera. The image is overlaid with a semi-transparent green filter. The text "Paying for Children's College" is superimposed in white, bold font across the middle of the image.

Paying for Children's College

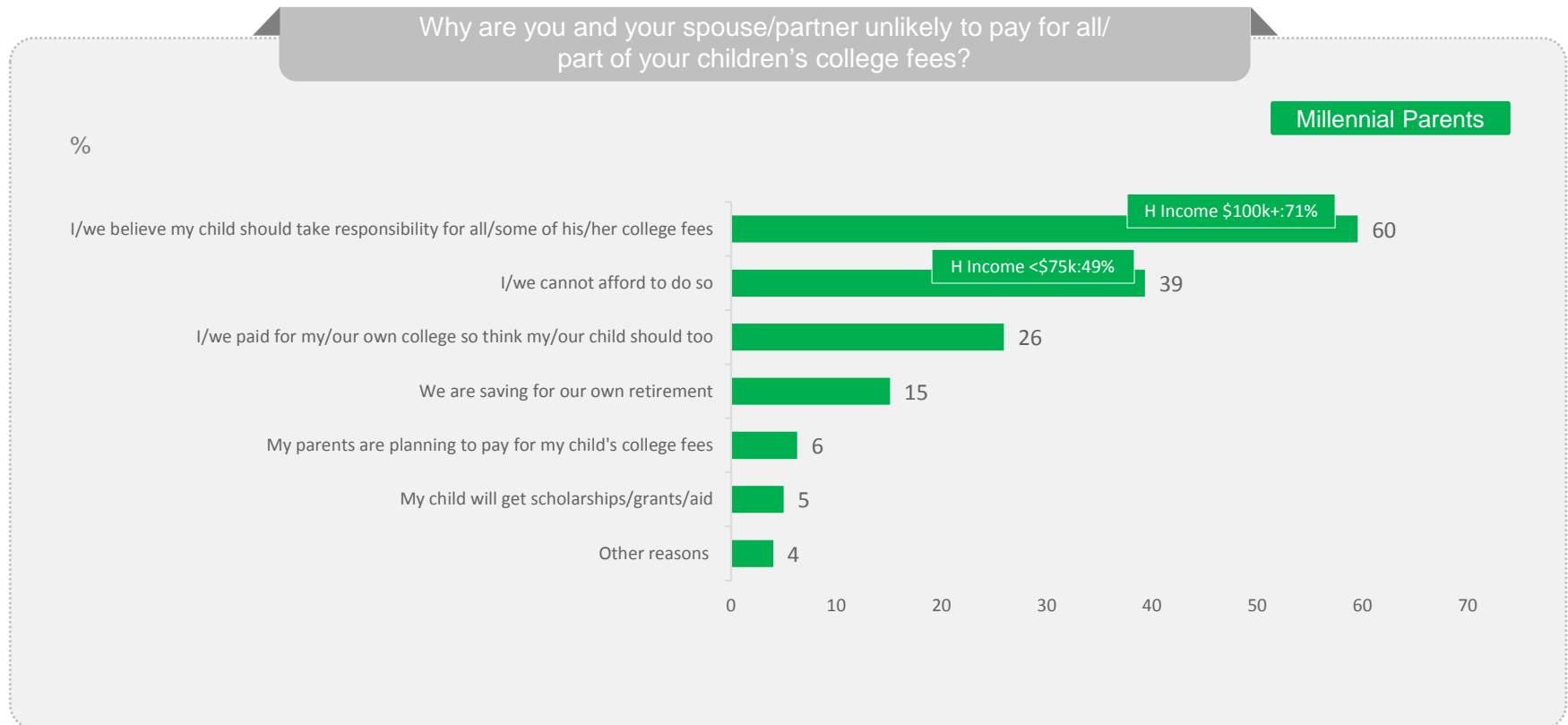
Nine in 10 millennial parents plan to pay at least some of their child's college fees

- Millennial parents with only one child are more likely than those with more children to plan to pay all the fees (1 child: 34%, 2: 25%, 3 or more: 21%)
- Latino/Hispanic and Asian millennial parents are twice as likely than caucasian millennial parents to expect to pay all the fees (43%, 42%, 23%, respectively)



Six in 10 millennial parents who do not expect to pay in full for their child's college believe that their child should take responsibility for some/all fees

- Millennial parents with a household income of \$100,000 or more are more likely than millennial parents as a whole to believe their child should take some responsibility for college fees (71% vs. 60%, on average)



Q705. Base: All Millennial Parents not paying for all of their child's college fees n=702

Six in 10 millennial parents say they are “happy to help” pay the college fees of their children

- Four in 10 (40%) millennial parents, including 6 in 10 (58%) African American millennial parents, are proud to pay their child’s fees
- One-quarter (26%), including 4 in 10 African-American (44%) and Latino or Hispanic (39%) millennial parents feel “obligated” to pay their child’s fees

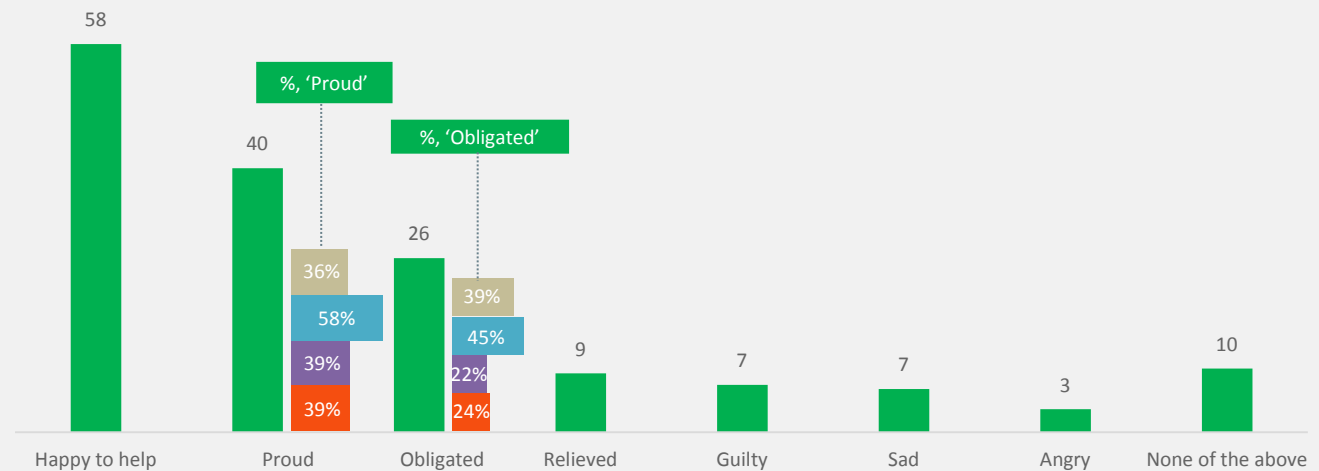
How do you feel regarding the extent to which you expect to pay the college fees of your children?

Millennial Parents

%



■ Caucasian
 ■ Asian
 ■ African-American
 ■ Latino or Hispanic

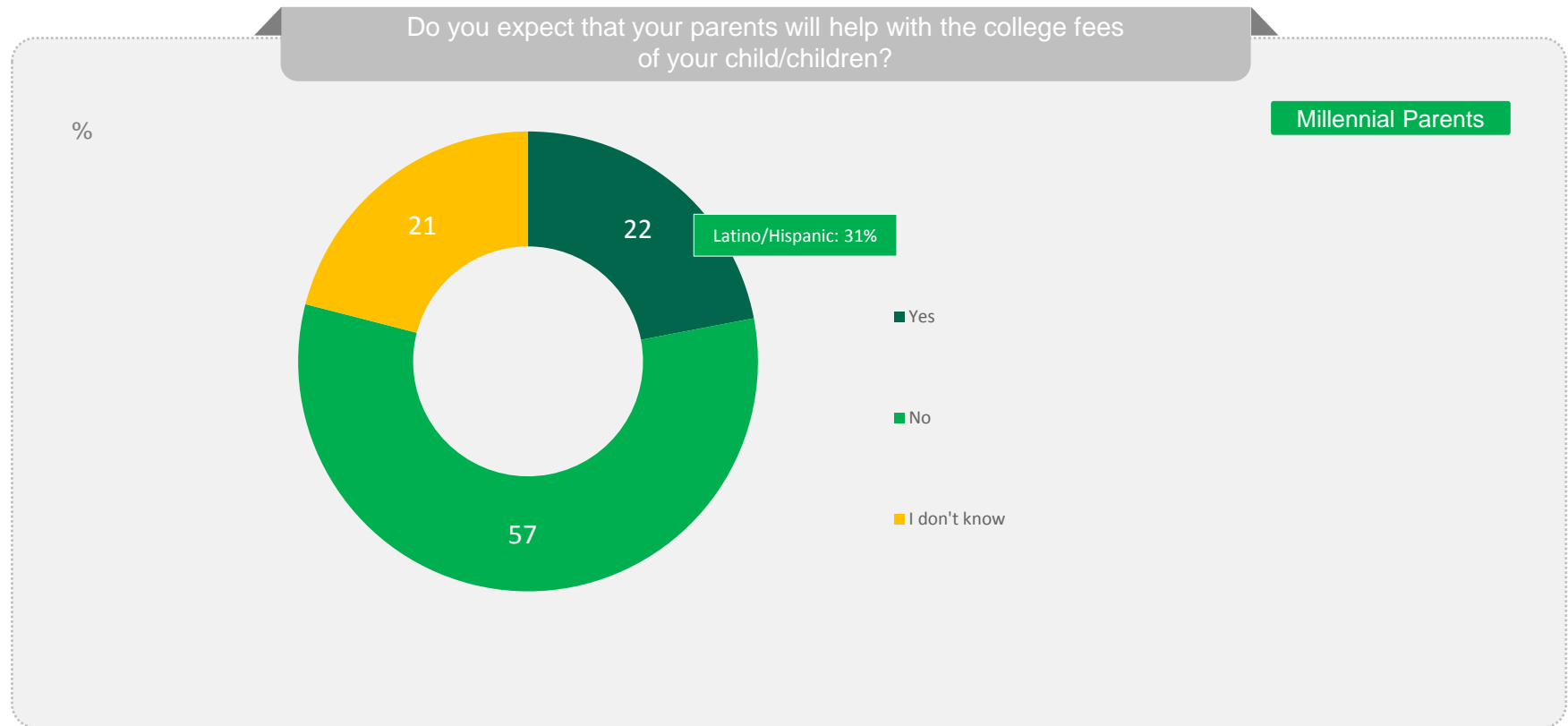


Q710. Base: All Millennials Parents who expect their child/children to go to college (n=984). Multiple responses allowed

* Small base n=76

Six in 10 (57%) millennial parents do not expect their parents to help with the college fees of their child

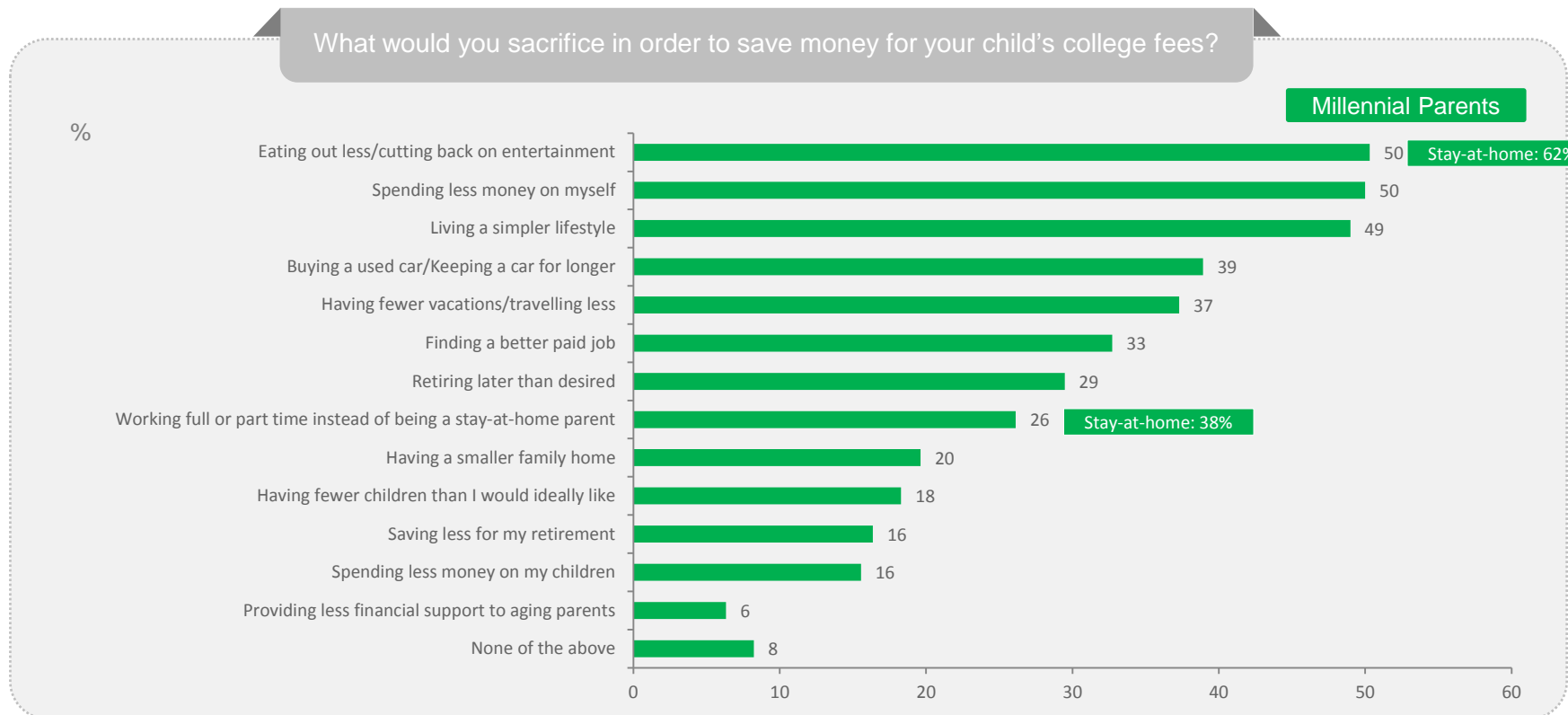
- Three in 10 (31%) Latino/Hispanic millennial parents expect that their own parents will help with their child's college fees, compared to 2 in 10 (22%) millennial parents overall



Q712. Base: All Millennial Parents with a living parent n=885

Millennial parents who expect their child to go to college are prepared to eat out less (50%), spend less money on themselves (50%) or live a simpler lifestyle (49%) to save money for their child's college fees

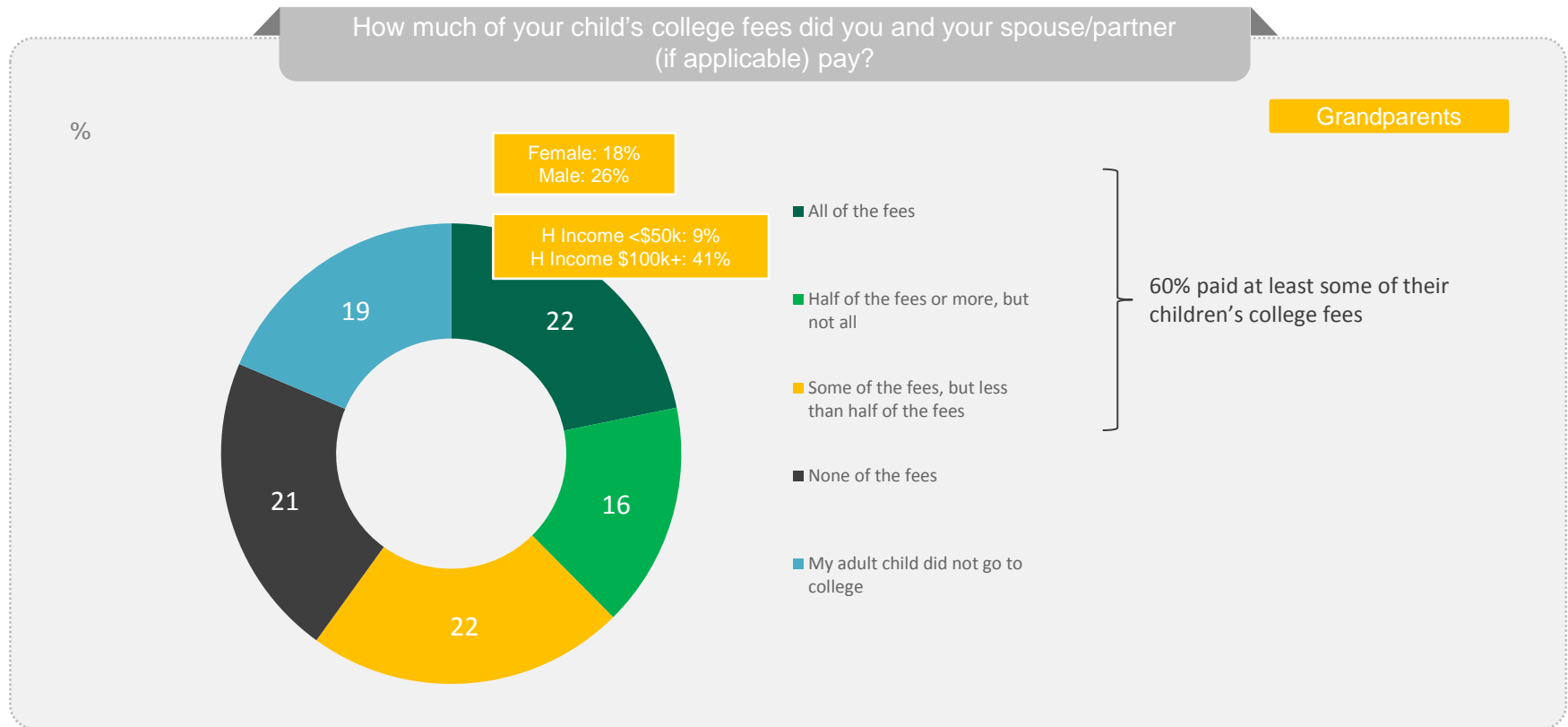
- Four in ten (38%) stay-at-home parents would be willing to sacrifice staying at home, and work instead, in order to save money for college fees



Q720. Base: All Millennial Parents who expect their child will go to college n=885. Multiple responses allowed

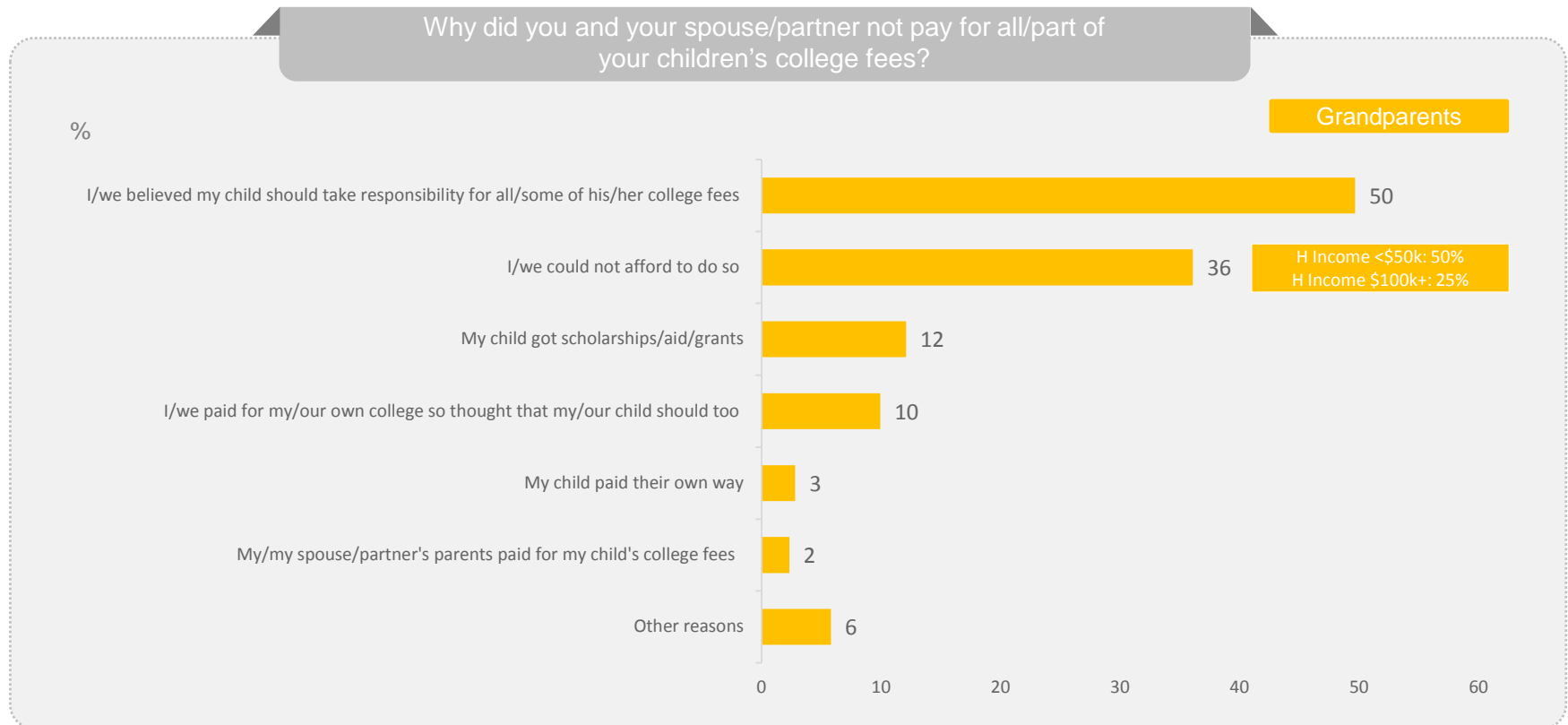
Six in 10 (60%) grandparents have paid at least some of their children's college fees

- Four in 10 (41%) grandparents with a high household income (\$100,000 or more) paid all of their child's college fees, where as only 1 in 10 (9%) of those with a household income of \$50,000 or less paid the same proportion



Half (50%) of grandparents who did not pay all of their child's college fees believed in their child taking responsibility for paying fees

- Slightly more than a third (36%) of grandparents could not afford to pay all/part of their children's college fees



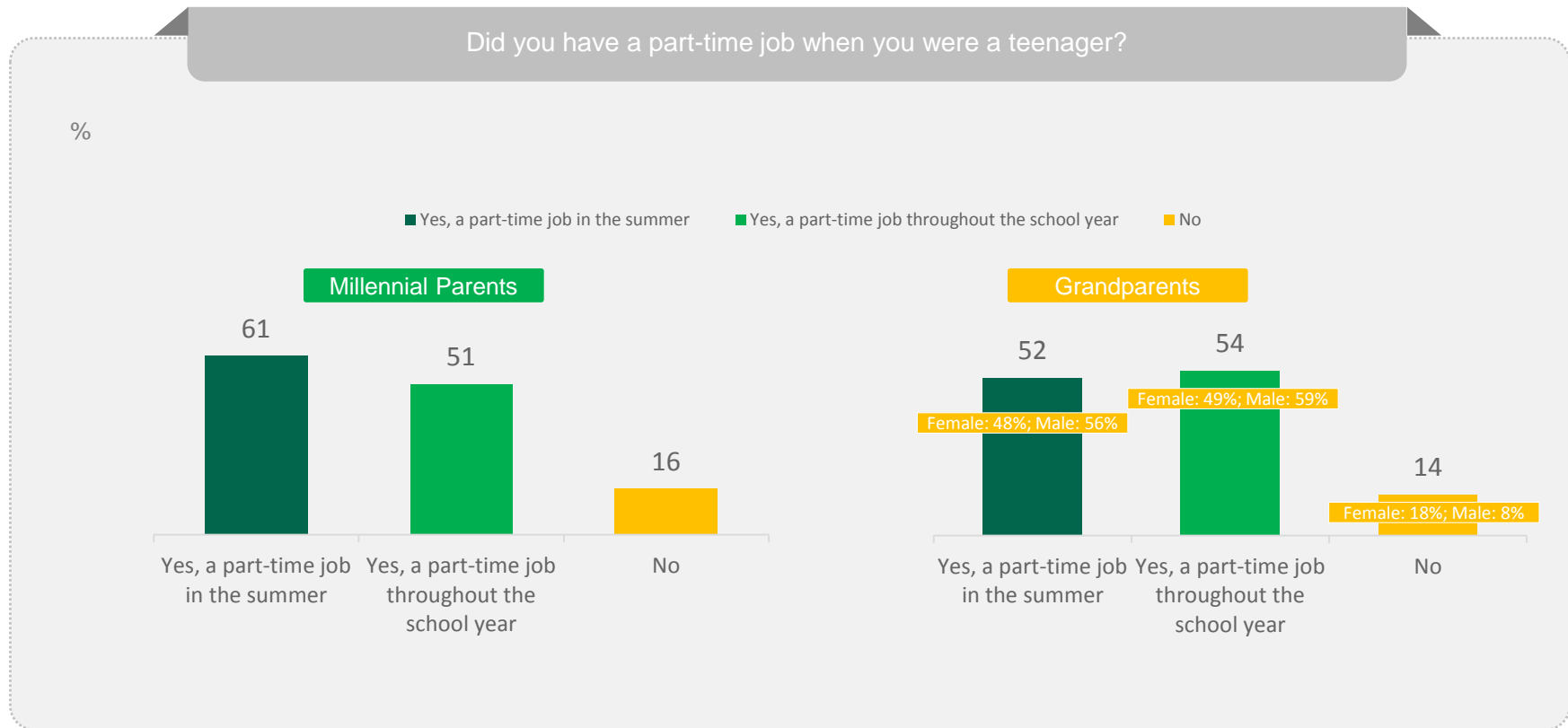
Q735. Base: All Grandparents who did not pay all of their child's college fees among those whose adult child went to college n=604

A photograph of a family of four—two adults and two teenagers—smiling and looking towards the camera. The image is overlaid with a semi-transparent green filter. The text "Part-time Jobs as Teens" is written in white, bold, sans-serif font across the lower-left portion of the image.

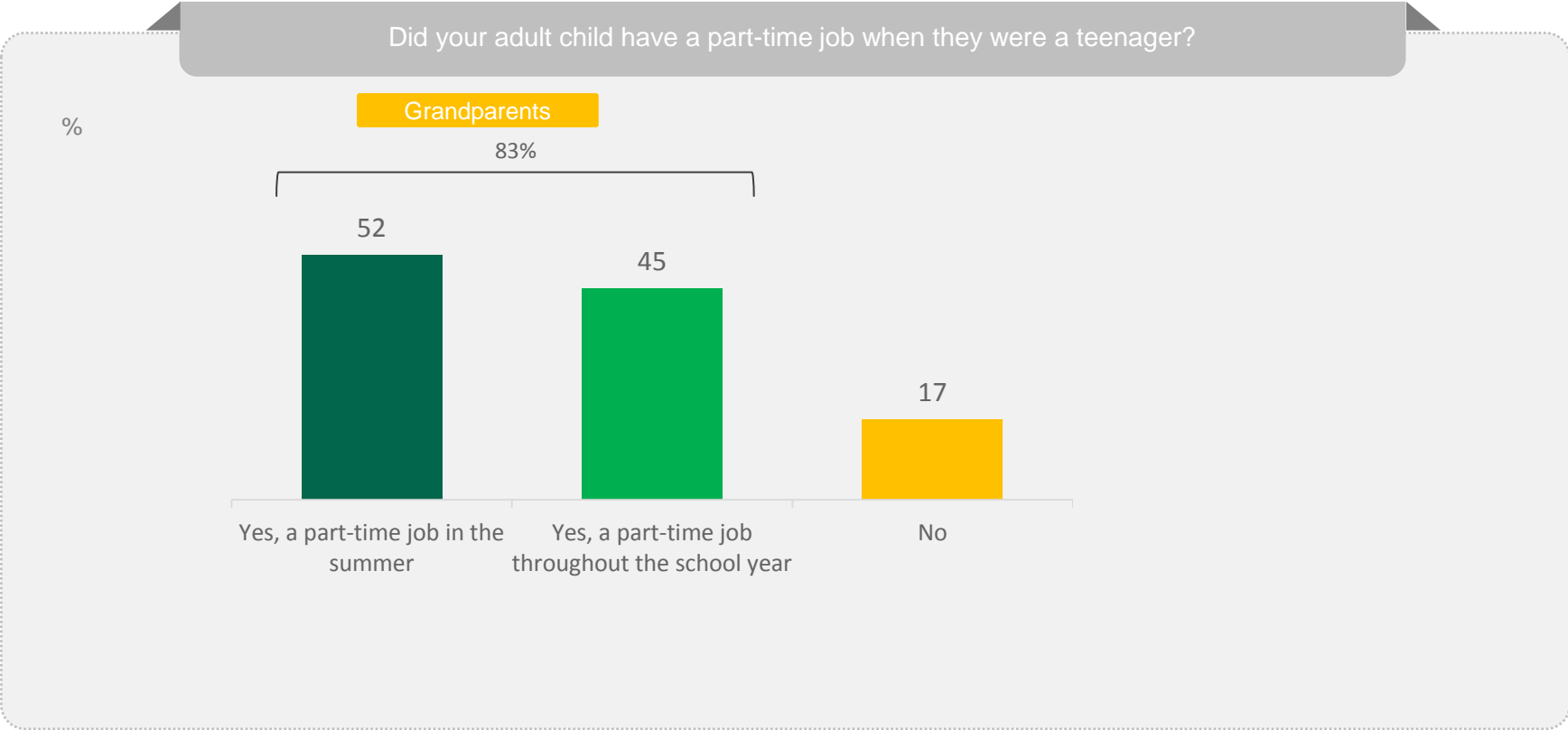
Part-time Jobs as Teens

During teenage years, 6 in 10 (61%) millennial parents held a part-time job in the summer compared to half (52%) of grandparents who did the same

- Half (51%) of millennial parents and half (54%) of grandparents held a part-time job throughout the school year
- For Grandparents, males were more likely than females to have held part-time jobs, whereas for millennial parents there is no difference between the genders in likelihood to have held a part-time job



Four in 5 grandparents (83%) had children who had part-time jobs when teenagers, either in the summer or throughout the school year



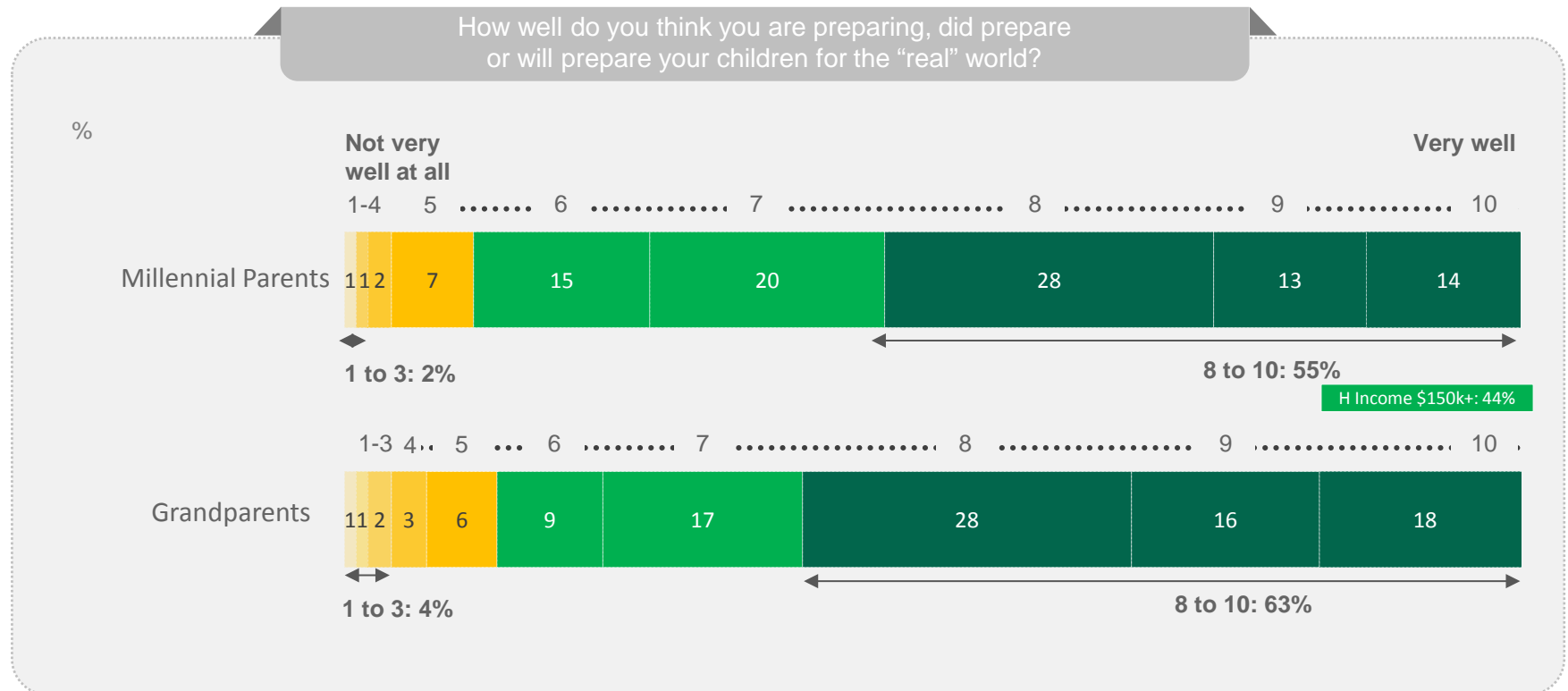
Q817. Base: All Grandparents n=1,014



Preparing for the 'Real World'

Six in 10 (63%) grandparents believe they prepared their children for the “real world” very well

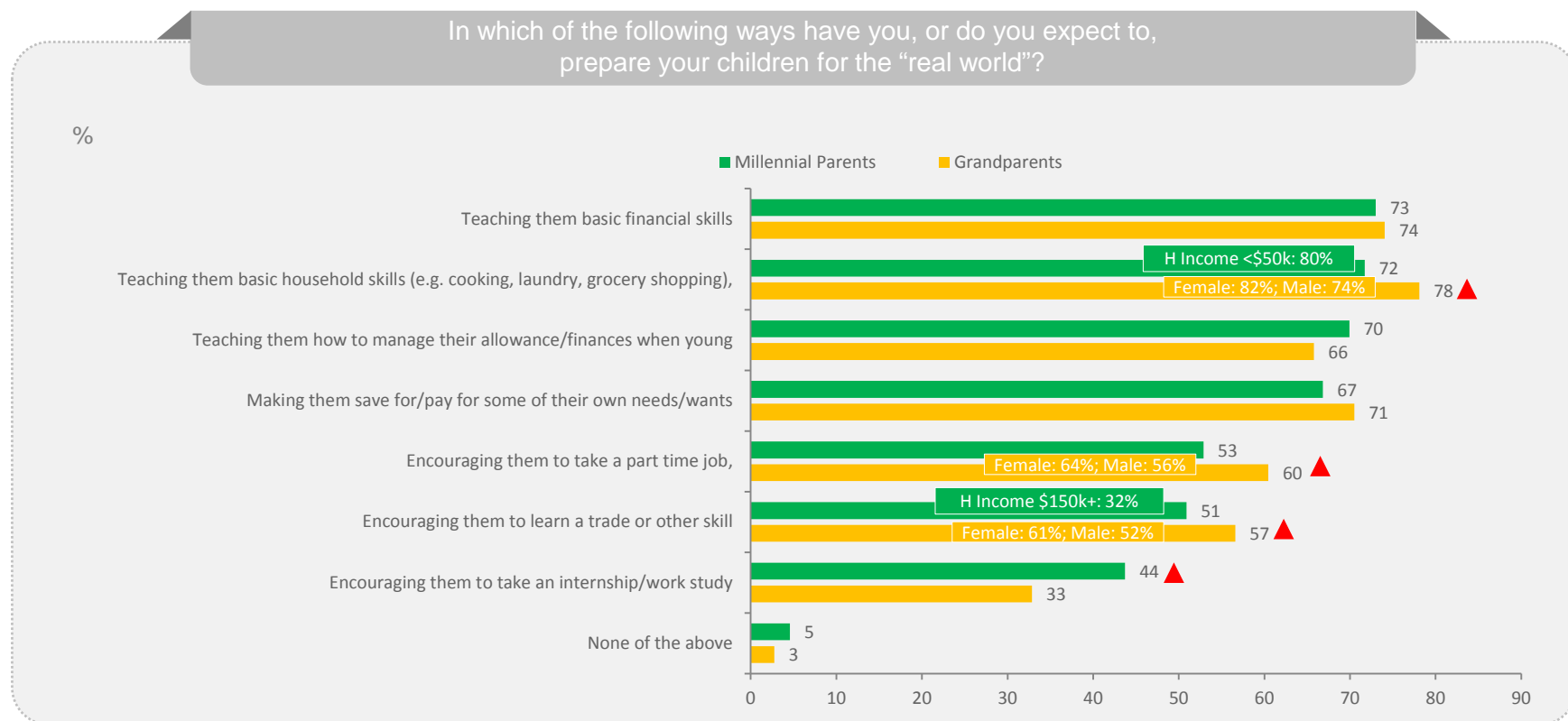
- Millennial parents are not as confident – fewer (55%) say they have prepared their children for the real world well



Q800. Base: All Millennial Parents n=1,004; All Grandparents n=1,014

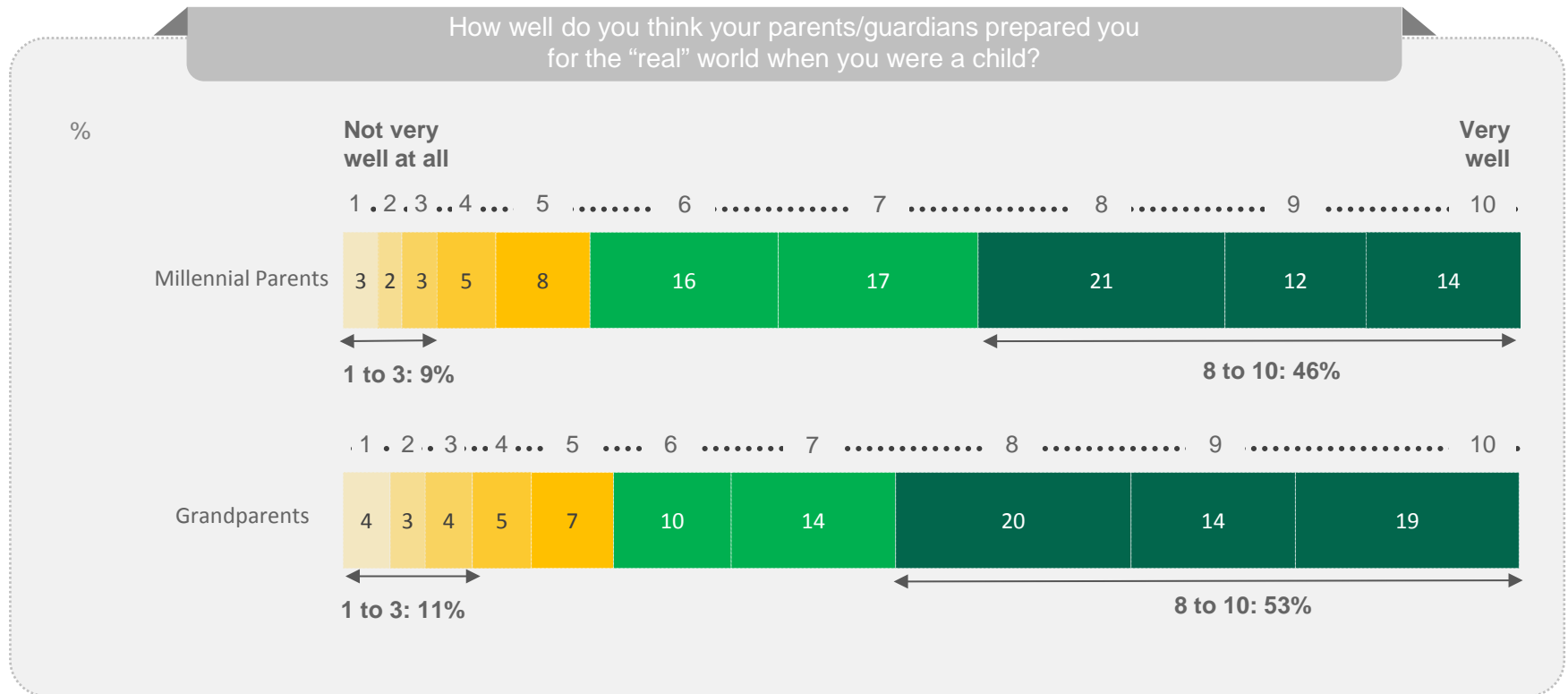
Millennials are most likely to teach/have taught their children about the real world by imparting basic financial skills (73%)

- Grandparents place greater emphasis on teaching basic household skills than millennial parents do (grandparents: 78%; millennial parents: 72%)



Q810. Base: All Millennial Parents n=1,004; All Grandparents n=1,014. Multiple responses allowed
 Arrows indicate a significant difference between Millennial Parents and Grandparents at 95% confidence

Half (53%) of grandparents and 4 in 10 (46%) millennial parents say they were well prepared for the real world by their own parents

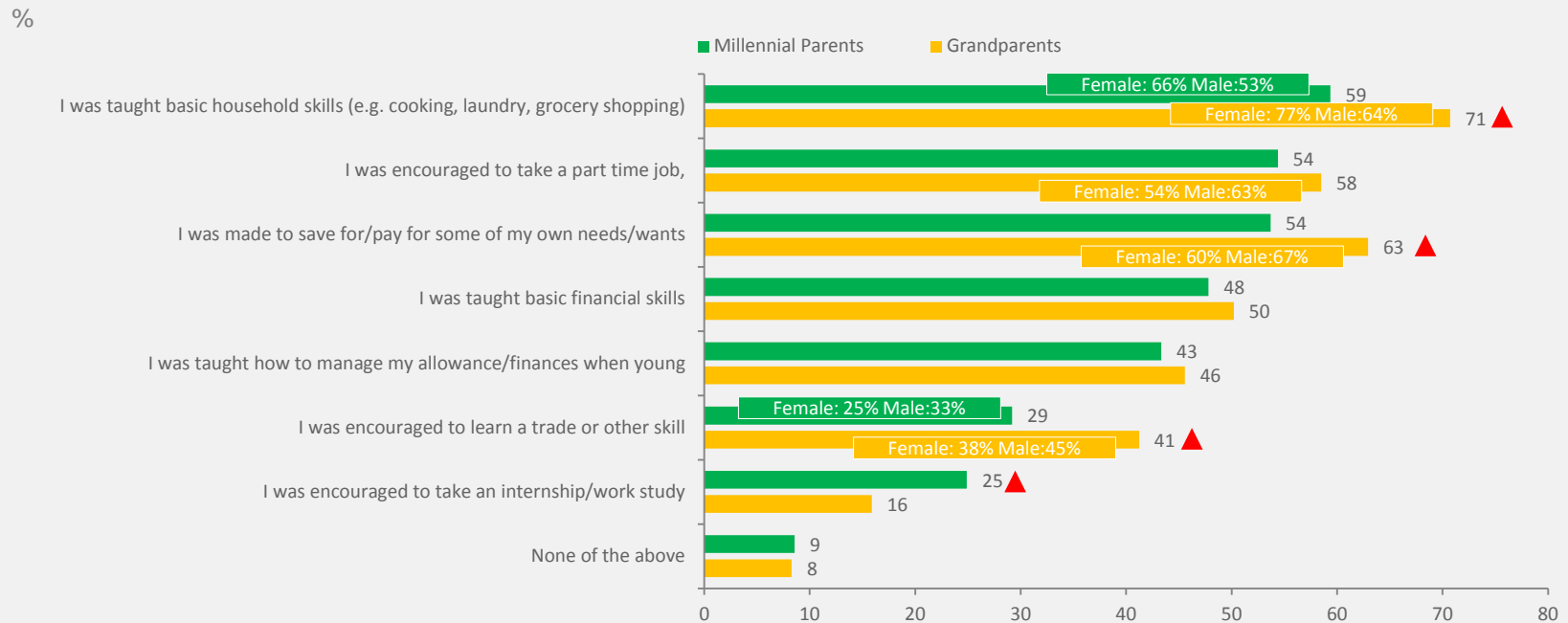


Q820. Base: All Millennial Parents n=1,004; Grandparents n=1,014

Millennials and grandparents alike were most likely to be taught about the real world through learning basic household skills (59% and 71% respectively)

- Being encouraged to take a part time job (54%, 58%) and having to save/pay for some of their own needs/wants (54%, 63%) were other popular methods of being taught about the real world
- Females are more likely to have been taught basic household skills in both generations (Grandparents: 77 vs. 64%, Millennial Parents: 66% vs. 53%)

In which of the following ways did your parents/guardians prepare you for the “real world”?



Q830. Base: All Millennial Parents n=1,004; All Grandparents n=1,014. Multiple responses allowed
 Arrows indicate a significant difference between Millennial Parents and Grandparents at 95% confidence



Appendix

Survey sample characteristics



Base: All Millennial Parents, n=1,004; Grandparents n=1,014