Winter 2017

Insights

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4 **Tax-Aware Investing** Strategies to help you keep more of what you earn

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REGIONS
PRIVATE WEALTH MANAGEMENT

Finding Resilience

A modern look at how Americans are finding personal and financial resilience in uncertain times

Staying Resilient

Everybody loves a comeback story, whether it's the underdog in your favorite movie or a downtrodden sports team that captures the championship. Resilience comes in many forms but rarely happens by accident. In sports, business and your personal finances, thriving amid adversity usually depends on careful preparation with clear goals in mind.

We're devoting this winter issue of *Insights* to resilience in its many forms. In our cover story, "Finding Resilience" (page 6), you'll see why humans are naturally geared to emerge stronger from adversity. As part of that feature, learn how legendary quarterback Tim Tebow combines optimism, hard work and faith to navigate life's next adventures (page 9).

And in "Women and Finances: The Three Ps" (page 12), Amanda Weeks-Geveden, SVP and Area Business Manager for Regions Private Wealth Management, describes practical steps for managing financial matters.

Inside you'll also find options for choosing the right retirement plan for you and your employees ("Pick Your Plan," page 10). As tax season approaches, consider why tax efficiency can be just as important as investing success when it comes to what you actually get to keep ("A Less-Taxing Investment Approach," page 4). Plus, look at how the chief resilience officer for Dallas is helping her city overcome its challenges ("Making Dallas Stronger," page 13).

I hope this issue of *Insights* gives you ideas to discuss with your Wealth Advisor, for thriving and getting stronger, whatever challenges arise. And please let us know if there is anything we can do to better serve you. Here's to a successful—and resilient—new year.

Kate R Danella

KATE RANDALL DANELLA
EXECUTIVE VICE PRESIDENT
REGIONS PRIVATE WEALTH MANAGEMENT

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Give Your Giving a Boost

Contributing stock or other assets that have gained value often delivers more to a philanthropic organization than writing a check.

People give to charity because they're passionate about a cause or an organization more often than for any other reason," says Jeff Winick, Senior Wealth Strategist for Regions Private Wealth Management. Still, being tax-efficient can be a motivation—every dollar that doesn't go toward taxes is one more that can support your favorite cause—and giving assets other than cash often stretches the donation's value. "Cash can be the least tax-efficient method of supporting a charity," Winick says.

When you donate appreciated assets—anything from artwork, other collectibles or securities to an interest in real estate or, in some instances, certain business interests—the charitable organization reaps the benefit of any increase in value over what you paid for it, and that extra value isn't diluted by taxes. Donors in the highest federal tax bracket, who otherwise might be liable for a 20% capital gains tax, a 3.8% surtax on investment income and possibly state taxes as well, can instead offer the full value of appreciated assets to a philanthropic organization.

You can generally deduct the current market value of such a gift, unless it exceeds 30% of that year's gross adjusted income (compared with a 50% ceiling for cash gifts). For very large contributions, "phase out" rules may also reduce your deduction. "Excess amounts can usually be deducted on future tax returns, for up to five years," Winick says.

Designating a charity or nonprofit as the beneficiary of your IRA, 401(k) or other tax-deferred retirement account can also boost your philanthropic impact. "If you're looking to make a $250,000 gift to your alma mater as part of your estate plan, having it come from a 401(k) plan can be the best use of the account," says Winick, because neither the estate nor the school will face income tax liability.

The federal government also recently made it easier to tap a traditional IRA to support qualified charities. If you've reached age 70½ and must begin taking required minimum distributions each year from your IRA, you can direct up to $100,000 of your withdrawal to one or more such institutions. The amount of your donation counts toward the RMD amount, and you don't have to report it as taxable income. This is just one more way to maximize the impact of a charitable gift, and it may be particularly helpful for anyone who no longer itemizes deductions, Winick says. ▲

MORE ONLINE See additional insights at **regions.com/insights.**

Home Sweet Home, Again

Returning to the nest after college has financial implications for both generations. Smart planning can help ease the strain.

It didn't take a lot of math for Nick Vecore to conclude that the right place to live after graduating in 2013 was with his parents. "Why wouldn't I live somewhere rent-free while building up my savings?" asks Vecore, who works for a marketing firm in Southfield, Michigan, and is saving for a down payment on a house.

Such choices have become the norm. Recent findings show that the majority of Americans aged 18 to 34 live with their parents. "Slower economic growth has created a challenging job market, and even those who can get a job are often not making what they need," says Daryl Kersting, Midwest Area Business Manager at Regions Private Wealth Management. "Plus, if you walk away from college with student debt, it's going to be very hard to support yourself." Kersting cites another factor: the gradually increasing age at which young people get married, which for men has risen from age 24 in 1980 to 28 in 2010. For women, the average rose from age 22 to 26 during the same span.

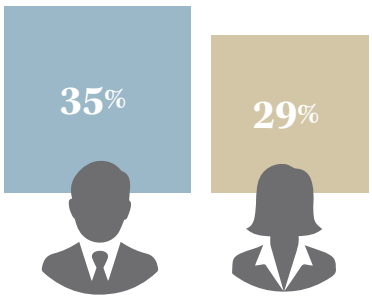
Whatever the reasons for returning to the nest, there are financial implications for everyone. In the best-case scenario, Kersting says, these former students use the time at home to pay down college debt while saving for other goals. Having them back can benefit a family in other ways, opening the door to conversations about the parents' short- and long-term financial plans. Less ideal is when well-intentioned parents cover their children's expenses without insisting on their advancement in their education or career, which can be bad news for parents. "Spending on the kids might mean you're not contributing as much as you otherwise could to your 401(k) or IRA," says Kersting.

To avoid negative consequences, Kersting suggests that parents and children sit down before college graduation and develop a written plan, including how long kids will live at home and what they will do to improve their financial situation. "Parents want to be supportive, but you don't want your kids to get complacent," he says. "Putting your goals in writing makes it real." ▲

WHO MOVES BACK HOME TODAY?

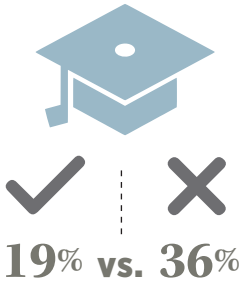
MEN ARE MORE LIKELY THAN WOMEN TO LIVE WITH THEIR PARENTS

Percentage of young people (age 18–34) living in parents' home in 2014



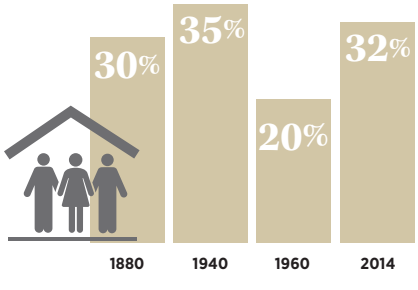
BUT A COLLEGE DEGREE MAY MAKE A DIFFERENCE

Percentage of young people (age 18–34) living in parents' home in 2014



A GLANCE AT WHO IS LIVING AT HOME OVER THE DECADES

Percentage of young people (age 18–34) living in parents' home



Source: Pew Research Center, 2016

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Upside-Down Lending

Below-zero interest rates overseas are pushing U.S. investors to look harder for yield.

Though more than two years have passed since the European Central Bank (ECB) first lowered a key interest rate below zero, the very idea of negative interest rates—paying people to borrow money—still seems upside-down. "What we're seeing in the bond market is bizarre and unprecedented," says John Boston, Director of Fixed Income for Regions Investment Management.

Have negative rates worked? The ECB's unusual decision in 2014 was intended to jump-start sputtering eurozone economies by enticing businesses and individuals to borrow and spend. Since then, countries including Sweden, Switzerland, Denmark and Japan have followed suit.

While those economies continue to struggle, negative rates may have helped prevent a bad situation from getting worse, says Dan Sichel, a professor of economics at Wellesley College and former economist with the Federal Reserve Bank. "Borrowing costs for people and businesses have come down, as central bankers hoped would happen, and borrowing has become stronger."

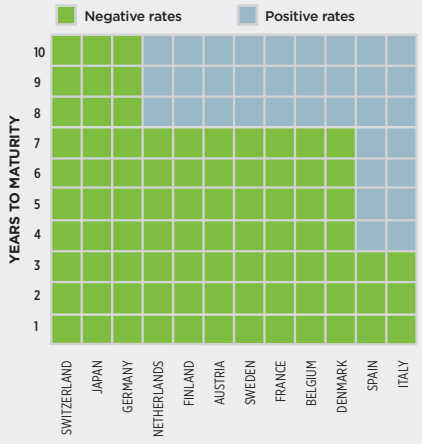
At the same time, negative rates have made it harder for investors to earn income from bonds. That's true even in the United States, where the economy is growing and the Federal Reserve has not and is unlikely to introduce negative rates, Boston says. In search of yield, he adds, "Europeans and other foreign investors are leaving their home markets and piling into U.S. markets." That surge has depressed U.S. government and corporate bond rates.

How should U.S. investors respond? As low rates continue, investors may want to consider adding stocks (or investments other than just bonds, based on risk tolerance) to their portfolios, even in retirement, Boston suggests. While all investments carry risks and returns and are not guaranteed, equities may offer the best protection against inflation, he says. As for your fixed income portfolio, Boston suggests considering bond ladders—series of bonds that mature at a staggered pace. And he recommends shorter-term bonds—10 years at the longest—so you'll be ready to take advantage when interest rates rise. Your advisor can help you determine a mix of investments that's appropriate for your situation.

Finally, Boston emphasizes the need to stay tuned to what's going on overseas. "You have to take into account what the other central banks are doing abroad," he says. "We are all globally interconnected now." ▲

A WORLD OF NEGATIVE RATES

Though interest tends to rise the longer you own a bond, a Swiss government bond with a 10-year maturity still yields less than 0%. Here's where countries with negative rates stand:



Source: Deutsche Bank Research

A Less-Taxing Investment Approach

Levies on investment income and profits can undercut your returns. Consider these strategies to help reduce the impact.

Preparing for April 15th can be sobering. That's when you see how the investment decisions you made during the previous calendar year have affected your taxes—and your progress toward your financial goals may look a lot more sluggish once you deduct what you owe the IRS.

Yet an investing truism holds that the tax tail should never wag the investment dog—that as much as you may want to reduce the tax drain on your returns, it's important to put fundamentals first, choosing stocks, bonds and funds that make sense in your particular situation. But there's also another adage: It's not what you earn but what you keep. And there are several strategies that might help you keep more, minimizing the erosion from taxes.

Tax-aware investing is really just investing—your first step is always to assess what you want to accomplish, says David Carroll Johnson, Wealth Strategist for Regions Private Wealth Management. "It depends on your goals, the income you need, your time horizon and your risk tolerance," says Johnson, "but once you decide what makes investing sense, you can look for tax-smart ways to get there."

Do the math. Sometimes, when you compare two potential investments, the one that appears to deliver more income may not provide the higher after-tax return. Suppose you're in the 35% income tax bracket and weighing a tax-free municipal bond yielding 3.3% against a taxable corporate bond with a 4.5% return. It turns out you would need a taxable bond yielding more than 5% to equal the value of the tax-free muni. "And in this comparison, the taxable bond also carries greater risk," Johnson says.

Meanwhile, dividend-producing stocks can also give you predictable income, and while interest on taxable bonds is considered ordinary income, taxed at rates as high

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as 39.6%, most dividends qualify for a 15% rate, or 20% if you're in the top income tax bracket. Additionally, if you hold a stock for more than a year, any profits acquired when you sell will qualify for long-term capital gains rates, which are 15%, or 20% if you're in the top tax bracket.

Look at location. Where you hold assets can also make a difference. It's in the DNA of some investments to produce income that may be sliced by almost 40% after taxes. Assets hit hardest by taxes include taxable bonds; mutual funds that are frequently traded and generate short-term capital gains; and real estate investment trusts (REITs). Keeping such holdings in a tax-deferred account—your 401(k), an IRA or similar retirement plan—lets you postpone your day of reckoning until withdrawals begin in retirement, when you might be in a lower bracket.

On the other hand, Johnson suggests keeping "tax-efficient" assets—municipal bonds, index-tracking exchange-traded funds (ETFs) and growth stocks that don't pay dividends—in taxable accounts. If there's no current income you won't owe any taxes, and any cash these investments do send your way will likely be taxed at the lower rates for long-term capital gains.

Talk to your Regions Wealth Advisor about:

- How to compare municipal and corporate bonds
- Which assets make sense to hold in taxable accounts
- How to use investment losses to offset capital gains

It's in the DNA of some investments to produce income whose value may be sliced by almost 40% after taxes.

Use your losses. Timing can be everything when you're buying or selling stocks—not only to boost profits but also to reduce taxes you may owe on those gains. When calculating investment income for your taxes, losses you've taken can offset an equal measure of capital gains—and if your losses exceed your gains, you can deduct up to $3,000 of the excess to reduce your taxable income. That doesn't mean you should sell at a loss when you think a stock may rebound. But if an asset's value is down and it makes sense to pare that holding as part of your asset allocation strategy, you might consider unloading it before the end of a year in which you've realized substantial profits. Similarly, an existing loss could let you take profits in a stock position without adding to your tax bill.

Consider trusts and charitable gifts. Taxes can also affect investments that you would like to pass along to your children or to philanthropic causes, and several strategies could help make sure payments to the government don't undercut your generosity. A grantor-retained annuity trust, or GRAT, could aid such efforts, enabling you to minimize taxes while transferring stock that is gaining in value to your children. "A GRAT lets you freeze the value of your asset and maximize the gift," says Johnson.

Other kinds of trusts—charitable remainder trusts (CRTs) and charitable lead trusts (CLTs), among others—could provide benefits to your family as well as to the causes you support. You might also consider contributing appreciated property rather than cash to charities, or making them beneficiaries of retirement account assets you don't need. (For more about this approach, read "Give Your Giving a Boost," page 1.)

$4.9 trillion

FEDERAL, STATE AND LOCAL GOVERNMENT TAXES COLLECTED IN 2015

Sources: U.S. Department of Commerce, Bureau of Economic Analysis

These are just a few of the ways you might be able to better protect your investment gains against tax erosion. Of course, you still need to keep that tax tail in its place, and there are likely to be times when considering the tax implications of an investment decision are less important. If you need to send a tuition check to your daughter's college, say, you might choose to sell a particular asset even if that will also add to your tax bill. Knowing the rules helps, but consulting your Wealth Advisor and your tax professional to consider investment moves could make tax day less taxing. That's something any investor should welcome. ▲

Finding RESILIENCE

A modern look at how Americans are finding personal and financial resilience in uncertain times.

BY TIMOTHY GOWER

The United States has faced many turbulent times throughout its history—from the Civil War to the Great Depression, to Pearl Harbor, to the terrorist attacks of 9/11. Yet Americans have never been defined by their difficulties as much as by their extraordinary capacity to bounce back. That's due in no small part to being a nation founded by idealistic, hopeful immigrants, says noted historian and author John Steele Gordon. "If Americans are famous for their 'get up and go,' it's because we have ancestors who got up and came here," says Gordon, author of *An Empire of Wealth*, a book about U.S. economic history. That spirit breeds an ingrained sense of optimism and an ability to overcome, he says. "America is a very resilient country."

At a time of economic and political uncertainty, rapidly escalating technology and dire warnings on everything from terrorism to climate change dominating the news, resilience is more important than ever. Psychologists are studying resilience as a trait, MBA dissertations are written about how corporations can stay resilient, and cities around the country are appointing chief resilience officers to help overcome their many challenges (see "Making Dallas Stronger," page 13).

Personal Resilience

Finding ways to bounce back from adversity is just as important for individuals as for cities and countries. The good news? Research shows humans are hardwired psychologically to meet and overcome financial or career setbacks, or even a serious disease or physical disability. As co-author of the book *Supersurvivors: The Surprising Link Between Suffering and Success*, Santa Clara University psychologist David Feldman studied individuals who endured cancer, blindness and other devastating blows and went on to achieve greatness in fields ranging from music to mountain climbing.

CAIAIMAGE/SAM EDWARDS/GETTY IMAGES

While it's important not to minimize the real suffering that trauma can bring, Feldman says, the majority of people who experience adversity—up to 80%, according to some research—not only recover but report that their lives ultimately change for the better in some large or small way. "As a species, we seem able to face some of the worst things imaginable, and find a way to not only bounce back but bounce forward," Feldman says.

But that optimism, he adds, must be combined with a clear-eyed view of reality—a willingness to assess one's circumstances objectively, and then figure out how to move forward (see sidebar, "A Man for All Seasons").

Financial Resilience

That same approach applies to developing a financial strategy resilient enough to carry you through challenging economic conditions and still help you to meet your long-term goals, says Alan McKnight, Chief Investment Officer for Regions Asset Management. Regardless of the obstacles, "we all have goals," McKnight says. "The question is, how do you accomplish them?"

While there may be no way to predict a job loss, business reversal or other setback, your Wealth Advisor can help you structure your financial portfolio to give you the liquidity you need in case such a situation arises, and advise you on creating an emergency fund that could help you avoid having to take on debt while you get back on your feet. The amount you should save will depend on your individual situation and needs. That's something you can discuss with your Wealth Advisor, and estimate using the emergency fund calculator at regions.com.

> ***"We all have goals. The question is, how do you accomplish them?"***
>
> —**Alan McKnight,** Chief Investment Officer, Regions Asset Management

Financial resilience also means recognizing that we live in a challenging economic climate—and preparing your investment portfolio accordingly, McKnight says. U.S. GDP growth, while positive, remains sluggish at around 2%. The European Union's deep economic uncertainties intensified with the United Kingdom's vote in 2016 to leave the union, and China, for years the world's leading growth engine, has slowed. "There's a lot of opportunity for volatility, and we don't envision growth picking up dramatically," says McKnight. "We think total portfolio returns are going to be lower for longer."

Focus on goals. That dose of reality only underscores the importance of focusing more on your personal goals than on temporary market ups and downs. "Setting objectives is the key to creating a portfolio that's resilient," says George Linardos, Portfolio Management Area Manager for Regions Asset Management. Your Wealth Advisor can help you structure a portfolio that is more conservative for needs arising soon, such as sending a child to college in the next few years. Longer-term goals such as saving for retirement two or three decades away may enable you to take greater risks in search of growth. Since there's time to recover, says McKnight, "you can live with a lot more volatility."

Diversification matters. When it comes to the assets you invest in, "Diversity and quality are the two cornerstones of a successful, resilient portfolio," Linardos says. High-quality equities such as large U.S. companies with long histories of paying and raising dividends may add stability and income at a time of persistently low interest rates in the United States and abroad (see "Upside-Down Lending," page 3). And while China and other countries have struggled recently, emerging markets may offer long-term growth potential, McKnight says.

To add diversification and protection against volatility, Linardos says investors may want to consider "diversified strategies funds." These funds offer investors an array of managed strategies not closely correlated to traditional stock and bond returns. The result could be a less volatile portfolio that may help investors stay the course during tough times.

Start with a conversation. Ask your Wealth Advisor about a Regions Wealth Assessment®, which can help clarify your current financial status and what level of risk you can tolerate in order to maintain and enhance your lifestyle. Linardos recommends periodic conversations with your Wealth Advisor to discuss market conditions, and meeting annually to review your portfolio and talk about any changes in your life that may affect your long-range objectives.

Just as nations and people show their hardiness and resolve every day, your financial strategy can be built for resilience, Linardos says, "so you can ride out the stormiest of times." ▲

Talk to your Regions Wealth Advisor about:

- Completing a Regions Wealth Assessment®
- How much you should save for emergencies
- The best mix of investments for your situation

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A Man for All Seasons

In football, baseball and life, Tim Tebow shows how optimism and resilience help overcome any obstacle.

As one of the nation's most recognizable athletes, Tim Tebow has scaled heights that few could imagine. He won the Heisman Trophy in 2007, helped guide the University of Florida to a pair of national championships as quarterback, and led the Denver Broncos to the NFL playoffs in 2011. And, like any prominent sports figure, he's also faced his share of adversity along the way, from picking himself off the turf after each jarring hit to staying positive in the face of critics and doubters in the 24/7 glare of the national spotlight.

"It's hard to be criticized, no matter what you do," he says. But Tebow has never let naysayers dampen his optimism, faith and next steps. In 2016, for example, with his NFL days behind him and a successful broadcasting career in the works, Tebow made the unlikely switch to baseball, as a 29-year-old rookie outfielder in the New York Mets farm system.

PATRICK GRADY

LESSONS FROM LIFE

Asked by *Insights* where he finds his inner strength and resilience, Tebow points not to lessons learned on the playing fields but to his experiences around people facing far steeper challenges. When Tebow was growing up, his missionary parents, Bob and Pam, took their five children to countries around the world, including the Philippines, where the family established an orphanage. "The people had almost nothing," Tebow recalls. "But they were happy. It was life-changing for them—and us."

Tebow, who started his own charitable foundation in 2010, has built Tebow CURE Hospital, a children's hospital in the Philippines, preached to prisoners, helped the rural poor and raised money for pediatric cancer, among other efforts. "What pressure have I really faced as a professional football or baseball player?" Tebow asks. "That's not real pressure. Real pressure is when you don't know when you're going to have your next meal. Real pressure is when you don't know if you're going to get through chemo."

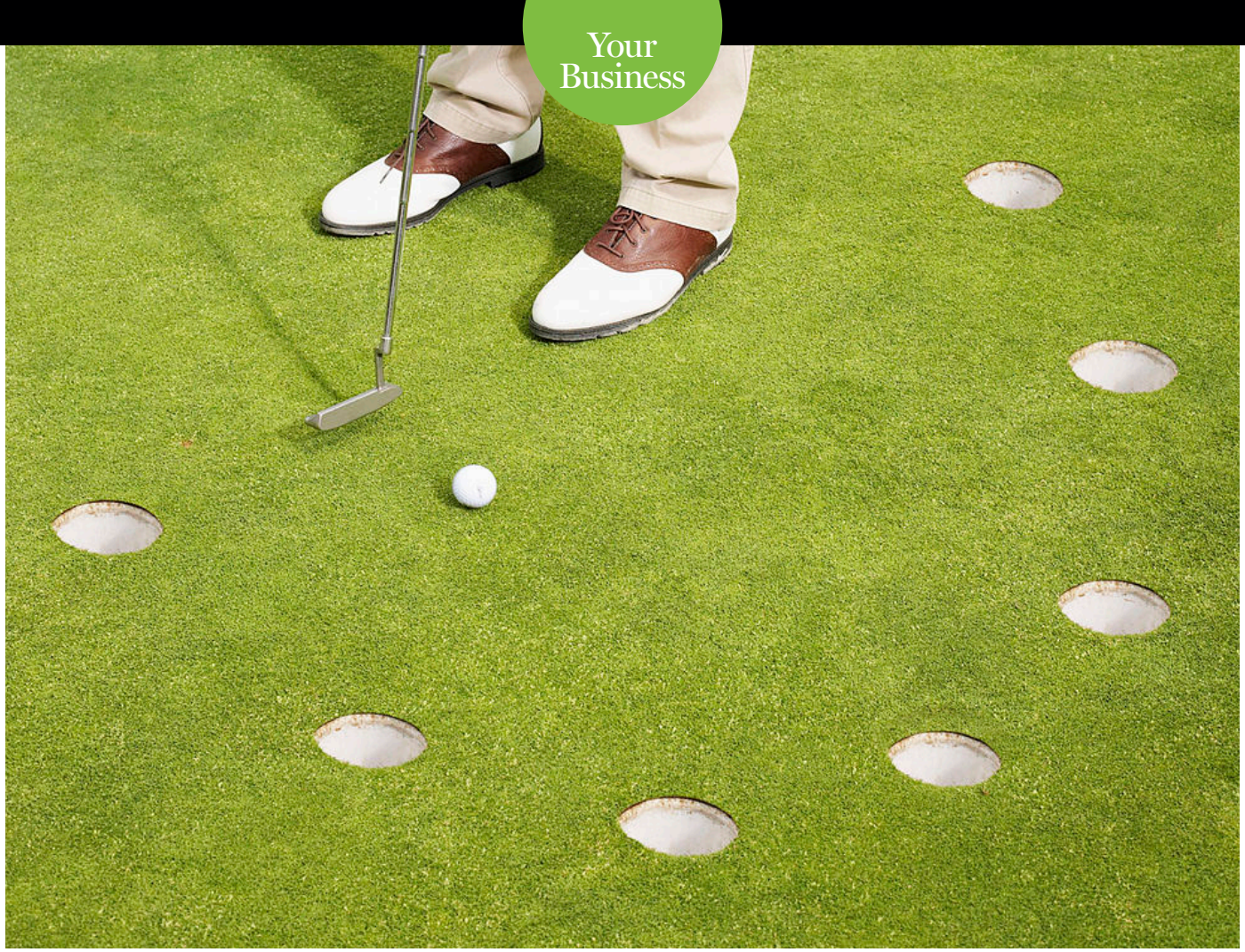
Over the years, Tebow's openness about his faith has drawn both positive and negative attention. Either way, Tebow himself is more concerned with how faith helps keep him steady and grounded through the highs and lows. "When you have that in your life, you know you're loved, you know you're accepted and you know your life has significance," he says. "If you have conviction and faith in something, you've got to stay the course."

OUT OF THE PARK

Tebow's professional baseball career could hardly have started more auspiciously: Last September, he swung on the first pitch he saw in the Mets Instructional League, and the ball sailed out of the park. "But in baseball, you keep grinding," says Tebow. "There's always the next at bat."

Whether his baseball dreams lead him to the Major Leagues remains to be seen. Yet wherever he goes from here, one thing seems clear: He'll pursue those next steps with passion, optimism and belief in his ability to bounce back. "Think about it, if you're down and you start hanging your head, that does not put you in position for a comeback," he says. "That's true in any part of life. The only time you lose, really, is when you give up." ▲

Note: Regions, the SEC and SEC Nation are working together to raise awareness about financial education. An SEC great, Tim Tebow is featured in "Real Talk with Regions" events, in television spots and online at TebowFlex.com.



Pick Your Plan

Choosing the right retirement plan can help you and your employees make a worthwhile investment in your own financial futures.

You probably didn't launch your company thinking about retirement. Nor is diving into the intricacies of the tax code likely to be at the top of your priority list. Still, that effort could pay dividends in more ways than one. Selecting a solid retirement savings plan for yourself and your employees is in everyone's best interest, and it can help you attract, motivate and retain the people who make your business thrive.

What kind of plan? While the contribution limits, costs and other aspects of plans can be daunting, you don't have to get mired in the particulars right away, says Jeffery G. Bradley, South Regional Executive for Regions Institutional Services. "Start with what you want to achieve," says Bradley, who suggests asking yourself several questions. Are you looking to lead by example, contributing on behalf of your employees, or do you want to motivate them to save? How fast is your company growing? Account for the answers, along with other variables, as you weigh the crucial differences among plans.

Simplified Employee Pension (SEP) IRA. If your business is small or you're the only employee, a SEP allows you to contribute as much as 25% of compensation annually up to a yearly maximum—$53,000 in 2016. You can vary the percentage from year to year or skip a year if funds are tight. "You have until the extended due date of your tax return to set up a plan and make contributions," says attorney Barbara Weltman, author of *J.K. Lasser's Small Business Taxes 2017*. "That lets you calculate your profits before you decide how much to contribute."

On the other hand, a SEP doesn't allow your employees to put in their money, and you generally have to contribute the same percentage of everyone's salary, including yours.

Savings Incentive Match Plan for Employees (SIMPLE) IRA. SIMPLE IRAs generally are a good fit for a business with 100 employees or fewer. With a SIMPLE IRA, your employees annually can opt to make their own contributions—as much as $12,500 in pre-tax earnings (plus a $3,000 catch-up if they're 50 or older) in 2016.

But there's not as much wiggle room with this type of plan. You're going to have to make an employer contribution every year—either pay a flat 2% of an employee's compensation or match an employee's contribution, up to 3% of compensation. If there's a lull in your business, however, you are allowed to reduce your matching contribution to 1% as often as twice in five years.

RICHARD NEWSTEAD/GETTY IMAGES

Individual 401(k). If you, or you and your spouse, are your only employees, an individual 401(k) lets you set aside as much as $18,000 in pre-tax earnings ($24,000 if 50 or older) plus 25% of compensation up to a total maximum of $53,000 ($59,000 if 50 or older) for 2016. And you decide how much to contribute. "The only downside is that once assets in the plan exceed $250,000, you'll need to file an annual report with the IRS," says Bradley.

Employer-sponsored 401(k). Companies with any number of employees might consider this option, which uses the same contribution limits as those for individual 401(k)s. Your employees decide how much salary to defer, and you can choose to contribute an additional amount on their behalf, which could match a portion of their contributions.

Due to the costs and complexity of setting up and administering an employer-sponsored 401(k), consider working with your Wealth Advisor and a benefits consultant, who can help you make sure this plan is your best option and meets your goals, says Bradley.

Cash Balance Pension Plan. This plan turns the usual retirement savings process on its head. Rather than looking at how much you and your employees contribute, it starts with the amount of the retirement benefit you want and then calculates what it will take to get there. That goal determines how much your company must contribute—and those amounts, likely to exceed contribution limits for other plans by a hefty margin—can turbocharge savings for owners and their employees.

You'll need an actuary to generate annual participant statements and to file detailed reports with the IRS. The very generous contribution limits increase with age, and someone 60 or older can put away more than $200,000 in tax-deferred income every year. Your company, or an investment manager of your choice, is charged with generating sufficient funds to provide the guaranteed benefit amount.

This plan can be a good fit for companies with high-income owners who want to beef up retirement savings quickly. "It's ideal for physicians, attorneys, engineers or architects—private groups looking to maximize their tax-deferred savings," says Bradley, who notes that a cash balance pension plan can be paired with an employer-sponsored 401(k) to allow even greater savings.

> ***"This process is about defining your goals and identifying the best way to reach them."***
>
> **—Jeffery G. Bradley,**
> South Regional Executive,
> Regions Institutional Services

Whatever type of plan you choose now, expect to revisit your options within a few years, says Bradley. "You may outgrow your plan and need to step up to something more comprehensive," he says. "Then, as now, this process is about defining your goals and identifying the best way to reach them." ▲

Plans at a Glance

	2016 CONTRIBUTION LIMIT	KEY FEATURES
SEP IRA Self-employed or small companies	25% of compensation but no more than $53,000; contribution by employer only	Easy administration; contribution amounts can vary annually; no contributions by employees
SIMPLE IRA Generally ≤ 100 employees	$12,500 in employee salary deferrals ($15,500 if 50 or older); employers make matching or nonelective contributions for employees	Employer must contribute but can reduce match to 1% of employee compensation in two of five years
Individual 401(k) Sole self-employed individual or married spouse team	25% of compensation plus $18,000 in employee salary deferrals ($24,000 if 50 or older); up to maximum of $53,000 ($59,000 if 50 or older)	Allows employee salary deferrals that can vary annually; must file IRS form annually once plan assets exceed $250,000
Employer-sponsored 401(k) Companies with any number of employees	$18,000 in employee salary deferrals ($24,000 if 50 or older); employers make matching or nonelective contributions for employees; up to maximum of $53,000 ($59,000 if 50 or older)	Allows employee salary deferrals that can vary annually; flexible design increases employer options; must file annual IRS form and show that plan doesn't favor high-income employees
Cash Balance Pension Plan High-income professionals and groups	Generous limits determined by desired retirement benefit; can exceed $200,000 annually	Employer must commit to large contributions and file detailed reports annually with IRS

BY AMANDA WEEKS-GEVEDEN
Senior Vice President and Area Business Manager, Regions Private Wealth Management

Women and Finances: The Three Ps

Women are taking an ever-larger role in managing the family finances these days, and that's something everyone can celebrate. Despite outmoded stereotypes to the contrary, I think women are often less emotional than men when making financial decisions, and better able to avoid rash decisions and stick to a solid financial strategy.

> **"I suggest women get up to speed financially by following The Three Ps: Be proactive, be present, and be prepared."**

All of this suggests that the women of today are adding real value when it comes to molding the financial future for themselves and their families. At Regions, we want to educate, equip and empower women to have the confidence to take control of their financial situation, even if they have previously sat on the sidelines. It is crucial that women take an active role in their finances since baby boomer wives can expect to outlive their husbands and inherit the couple's assets, often living another 15–20 years.[1]

In the event that the unthinkable happens, it can be overwhelming trying to catch up at a difficult emotional time. My mom, a kindergarten teacher, taught me the wisdom of keeping things simple. I suggest women get up to speed financially by following The Three Ps: Be proactive, be present, and be prepared.℠

[1] "Older Women," Administration on Aging, May 2000.

1 Be Proactive. Become informed—before things happen. Educate yourself on the basic elements of personal finance like retirement plans, budgets and different types of investments. It's not hard to learn; the important thing is to dive in. Visit regions.com/womenandwealth, where you'll find easy-to-read articles, videos and infographics on topics ranging from saving for retirement to combining finances. Seek out women you know and trust and ask them, "What are you doing to invest in yourself?" If they're comfortable talking about it, learn from one another.

2 Be Present. It's important to stay actively involved in and be aware of your family's finances and long-term plans. That means having honest family financial discussions in which you talk about where things stand right now and where you want to go. Participate in conversations and meetings with your Wealth Advisor, and don't be afraid to ask questions.

3 Be Prepared. When you're dealing with a crisis, the last thing you need to do is search for documents. Assemble a binder with important paperwork, user IDs and passwords. Have a contact list with all of your advisors, such as your Wealth Advisor, insurance agent, lawyer and tax specialist, and the best way to reach them. You can tell a trusted family member where to find this information in an emergency, and keep it in a safe deposit box. The more prepared you are, the less likely you are to make a rash decision that you'll regret later. If you find yourself facing a difficult situation, give yourself time before making major decisions. Equipped with more knowledge, you'll know that you can handle it. How you emerge from tough times—especially when you're the one in charge—depends on being prepared, taking responsibility and knowing enough to trust yourself. ▲

FOR MORE INFORMATION
Watch "Finding Yourself at the Financial Helm" at **regions.com/womenandwealth**

Making Dallas Stronger

Cities, like people, need strategies to bounce back from difficulties. Here's how one professional is making a difference in Dallas.

A self-professed "city geek," Theresa O'Donnell (right) has devoted her career to helping her native Dallas thrive amid monumental challenges. After having a variety of roles focused on economic growth, slashing bureaucratic red tape and tackling poverty and health concerns, O'Donnell was named the city's first Chief Resilience Officer, or CRO. She's one of many such officials nationwide, as part of the Rockefeller Foundation's 100 Resilient Cities (100RC) initiative. We sat down with O'Donnell to learn about how cities can be resilient and what it means to be a resilience officer.

DIFFERENT CITIES, DIFFERENT CONCERNS

Cities build resilience by preparing for acute shocks such as natural disasters and addressing long-term social and economic problems. Different cities have different needs. San Francisco is focusing on earthquakes, New Orleans on rising sea levels. In Dallas, it's about targeting the struggles of the working poor. We have the highest child poverty rate among the 10 largest U.S. cities, and the working poor have a much harder time recovering from disasters.

BREAKING DOWN THE SILOS

Cities are complicated organisms with many departments—fire, police, water, waste management, etc.—that don't always communicate. As CRO, I'm taking a fresh look at the city's challenges and finding ways for departments to collaborate more and improve these main areas: health care, economics, transportation and neighborhood quality of life.

TOWARD A HEALTHIER DALLAS

Most people wouldn't think of a fire department as a health-care provider, but 957 of 1,400 department employees are paramedics, and the department's 40 ambulances made more than 200,000 EMS runs last year. It's a frontline health provider for the poor and uninsured, and we're working to be more cost-effective with these services. And because fire departments already teach fire safety and prevention, they could also be effective in teaching communities about public health.

BETTER MOBILITY

Our downtown hotels have hundreds of night jobs that go unfilled because shifts end at 2 a.m., while city buses stop running at 11 p.m. Steady employment is key to resilience, for families and cities alike. So we're examining the bus system to help make it more efficient for commuters.

BUILDING SUPPORT

Though we're in the early stages of our efforts, we've had an outpouring of support from the philanthropic community, service providers and businesses. We all want the same thing—to take care of families. Recently I spoke with a group of young leaders from the Dallas Regional Chamber of Commerce. They've made poverty their focus and asked: How can we help the city tackle this issue? What can our service project be? The collective efforts of this community make me very proud of my hometown. ▲

CITYSCAPE: FI IPHOTO/GETTY IMAGES; PORTRAIT FRAME: TOLGA TEXCAN/GETTY IMAGES

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Birmingham, AL 35203

Financial success tomorrow starts with financial confidence today.

56.2% of women surveyed said working with a financial advisor made them feel more confident about their financial decisions.*

Women are controlling more wealth than ever before. And they're doing it on their own terms. That's why Regions offers tools, insights and guidance to help you feel confident you're making informed decisions about your unique financial situation. It's also why your Regions Wealth Advisor is with you every step of the way, offering straight talk and complete transparency, from a single point of contact, on everything from investing to retirement planning and beyond. We asked more than 1,000 women what financial advice they'd give their younger selves, and 69% said they'd start sooner and save more. **Don't let another day pass before you set up a personal consultation with a Regions Wealth Advisor. Call 1.800.826.6933 or visit us online at regions.com/womenandwealth.**

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MEMBER FDIC © 2017 Regions Bank. Loans are subject to credit approval. *Regions Bank designed the Women and Wealth Survey in conjunction with faculty at Vanderbilt University. The study, based on 1,157 total responses, measured opinions of customers with estimated household investable personal assets of $2 million or greater. Proprietary study results are based on experiences and perceptions of customers surveyed in June 2015. | Regions and the Regions logo are registered trademarks of Regions Bank. The LifeGreen color is a trademark of Regions Bank.