Why Prepare for the Unexpected?

How do financial disasters occur?

FINANCIAL DISASTERS COME IN MANY FORMS:

- Natural disaster
- Illness, injury, loss of family member
- Loss of job
- Overwhelming debt
- Higher education costs

MAKE A PLAN

PLANNING HELPS PEOPLE TO:

1. Accomplish their goals
2. Manage decisions related to education, income, spending, and saving to achieve goals
3. Prepare for a rainy day by creating an emergency fund
4. Keep safe in an emergency

AN EMERGENCY FUND IS:

MONEY SET ASIDE THAT CAN BE ACCESSED QUICKLY FOR UNEXPECTED EXPENSES

How much should I have in an emergency fund?

3 to **6** months of living expenses is the recommended amount for an emergency fund.

PLANNING AND PREPARING FOR EMERGENCIES

- Create an emergency plan.
- Set a goal and save for an emergency fund.
- Identify and organize the items you need.
  - Important documents
  - List of financial contacts
  - Family emergency contacts
  - Cash, debit card, credit card, checkbook
  - Other personal items

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