



Financial Security—Preparing for an Emergency

As we all know, things in life happen that are beyond our control. In the event of an emergency, an emergency cash fund allows us to focus on resolving the emergency at hand while maintaining financial security. This is the initial and most basic step in building a long term plan.

What is an emergency cash fund?

An emergency cash fund is a sum of accessible cash that is used only in the event of a true, unexpected emergency. It is important to understand the word *accessible*. While we may have done a fine job investing and saving for our future, how accessible are those funds if an emergency were to happen this week?

Can't I just use my savings account?

We recommend that your emergency cash fund be separate from your savings accounts. While savings could be used for an emergency, pulling money from your savings account can leave your savings depleted, impacting your family's future.

How much should I keep in my emergency cash fund?

When choosing the target amount for your emergency fund, you will need to consider your monthly living expenses—fixed, flexible, and discretionary. Once you know that number, you should plan to have roughly six months' worth of expenses in your emergency fund.

Unfortunately, most everyone will deal with an unforeseen circumstance or emergency. Though considering this isn't pleasant, it is necessary. MBL Advisors specializes in helping individuals plan for their future, including understanding and maintaining a plan for life's unexpected circumstances. If at any point, you've questioned whether or not you are fully prepared for an emergency, we recommend making this a top priority. Please let us know if we can be of assistance to you in planning for continued financial security.

MBL Advisors is a boutique advisory firm specializing in executive and corporate retirement benefits, private client insurance and wealth management solutions. We offer innovative, sophisticated solutions to help clients accumulate, manage, and preserve wealth in their businesses and in their personal estates.

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