

In Case of Financial Emergency 8 Things To Do – Must Read

While many of us like to think that we're **immortal**, the old joke is that only two things in life are for sure: **death and taxes**. Not only is it important that you have a plan in place in the unlikely event of your death, but you must also implement your plan and make sure others know about it and understand your wishes - as Benjamin Franklin's famous quote goes, "**by failing to prepare, you are preparing to fail**". If you've procrastinated on your financial planning, this mail will help you get going in the right direction.

Must Do No.1: Financial Assets Inventory

To start things out, go through all of your entire financial assets & prepare a list of all investments worth 10000 or more.

Examples include bank accounts, FDs, RDs, KVPs. PPFs, Insurance, MFs, Stocks etc.

Must Do No. 2: Financial Liabilities Inventory

Next, start adding up your liabilities. These include things you owe towards credit cards, loans, hand loans, car finance etc. Here you'll make a separate list for open credit cards and other debts. This should include everything such as auto loans, existing mortgages, home loans, open credit cards with and without balances, and any other debts you might owe. A good practice is to run a free credit report at least once a year and make sure you close out any credit cards that are no longer in use.

Must Do No. 3: Share a Copy of your Assets & Liabilities List to Your Better half or Parents otherwise

When your lists are completed, you should date and sign them and make at least **three copies**. The original should be shared with your personal financial advisor, the second copy should be given to your spouse and placed in a safe deposit box, and the last copy you should keep for yourself in a safe place.

Must Do No. 4: Update Life Insurance & Annuities

Life insurance and annuities will pass by contract as well, so it's just as important that you contact all life insurance companies where you maintain policies to ensure that your beneficiaries are listed correctly.

Must Do No. 5: Create a Will

Everyone over the age of 18 should have a will. It is the rule book for distribution of your assets and it could prevent havoc among your heirs. Wills are fairly inexpensive estate planning documents to draft. Most lawyers can help you with this for a nominal cost. Just make sure that you always sign and date your will, have two witnesses sign it, and obtain a notarization on the final draft.

Must Do No. 6: Review & Update Your Documents

You should **review your will for updates at least once every two years** and after any major life-changing events (marriage, divorce, birth of child, and so on). Life is constantly changing and your inventory list is likely to change from year to year too. Make a list of money to be given and taken **unaccounted** from the near and dears always try to have it in writing in some format to avoid any confusion in future.

Must Do No. 7: Choose a Financial Planner

While you may think that you've covered all avenues, it's always a good idea to have a **full Review of investment and insurance plan done at least once every year**. If you're not looking to spend the money for professional help, there are several good books out there on getting your financial plan and estate in check. Tips like having an emergency medical contact card in your purse or wallet are little things that many people never think of.

Must Do No. 8: Simplify Your Life

If you've changed jobs over the years, it's quite likely that you might have several different bank accounts, PF accounts still open with past employers etc. While this normally won't create a big problem while you're alive (except lots of additional paperwork and account management), you may want to consider consolidating these accounts into one or two bank accounts and one individual PF account to take advantage of easier management when assets are consolidated.

Please share this with your family

Important things to remember when something goes Wrong.

Bank

- Stop credit card deductions.
- Clear all dues of credit card.
- Get a no due certificate from credit card /bank/loan if any paid etc.
- Any old or unused bank accounts check nominations .
- Make sure u have at least one joint account you and your better half.
- Get all bank nominations updated
- Make a list of lockers
- List the unaccounted monies and make sure u share it with ur better half.
- Keep a couple of leafs blank signed with both partners for any future contingency .
- If there are any emi monthly/qtrly have it stopped immediately by sending a letter to respective authorities.

Insurance

- Nominations in all insurance policies
- Prepare a list of all personal insurance policies
- Employer group insurance.
- Check for credit card, bank accounts, loan accounts for personal life insurance. Most of the loan accounts have a life cover linked to it.
- Check if any plan has WOP (WAIVER OF PREMIA) attached

- Always carry the Cashless card of your Health Insurance in your Purse , We never Know when we might Need it .

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Share/stocks/equity/sips:

- Share passwords with ur better half.
- Keep an excel with password lock.
- Maintain an excel with all investments.
- Mutual funds nominations
- Trading account checked for nominations

Others

- Check all health insurance and check if we can use it for the hospitalization.
- Check accidental cover (credit card /bank account/life insurance/health insurance/loan account)if any.
- Check if any pending amounts to be reimbursed from employer.
- Check if there are dues of last month for credit card etc whose bill has not been Generated yet.
- Get an NOC of all dues after cleared in writing.
- All EPF, NSC, KVP have nominations.
- Stop immediately any club membership subscriptions being paid on monthly basis Rotary, Secunderabad Club, Country Club ,Mahindra Holidays, Sterling resort Auto Deduction etc
- Also check flight tickets give a huge accidental cover in case of eventuality on board.

Organ donation:

- Should happen within 6 hours of Eventuality.

The Bottom Line

Now you have the ammunition to get a pretty good jump-start on reviewing your overall financial and estate picture; the rest is up to you. **While you're sitting around the house watching your favorite sports team or television show, pull out a tablet or laptop and start making your lists.** You'll be surprised how much "stuff" you've accumulated over the years. You'll also find that your inventory and debts lists will come in handy for other things such as investments and getting a firm grip on your expenses.

We would love to do anything for a PIZZA!

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