



WILL YOU BE READY WHEN A DISASTER STRIKES?

What will it take to get back on your feet financially in the event of an emergency? Whether it's a natural disaster, like an ice storm or tornado, or an accident like a fire or busted water pipe, a crisis can wreak havoc. Get your financial life back in order by following these tips.

Insure against potential loss.

Having the right insurance can help lower your out-of-pocket costs. Homeowner's insurance can cover damage to your home or personal property due to a variety of mishaps, and renter's insurance can reimburse you for the loss of your own belongings when you don't own the residence yourself. If you're in a flood zone, find out if your policy covers floods or if you need additional coverage. If you don't live in a flood zone, it might be worth checking flood insurance rates and coverage, just in case. Don't forget auto insurance, as well, to protect you from expenses related to road accidents and other types of damage, such as having a tree fall on your parked car.

Save up for emergencies.

Even with insurance, you may be hit with a range of related expenses if, for example, you have to stay in a hotel or eat out until damage to your home or neighborhood is addressed, or if your insurance policy doesn't cover all your losses. An emergency fund with several months' worth of income can keep you on your feet after a disaster. Some financial experts recommend three to six or even nine months of expenses in a separate emergency fund. It's also reassuring to have in case you or your spouse loses a job or is hit with any type of unexpected expense. Be sure the money will be easily accessible if you have to relocate after a disaster.

Keep key documents safe.

What kinds of paperwork will you need in an emergency? Depending on the situation, it may be important to have information about your insurance policies, property records, financial accounts,

medical records and contacts for family, doctors or other key people. Make a copy of critical documents you could need in an emergency and store them in a safe place outside your home. A safe deposit box at your local bank is one possibility, but also consider sending them to a relative or close friend outside your immediate area in case it's tough to get to your bank after disaster strikes your area. Saving copies in password-protected cloud storage is also a good idea.

Arrange to keep bills paid.

If you have access to online banking, set up automatic payments for recurring bills, such as those for rent or mortgage and utilities, so you can focus on more important daily concerns during a crisis. If you've lost your source of income temporarily or are going to have difficulties keeping up with bill payments for other reasons related to the disaster, contact your creditors immediately and explain your situation. Many may be willing to reduce or suspend your payments until you're back on your feet. Also contact your employer to find out whether the business has been affected and the company's plans for staying or getting up and running. If you'll be out of work because of the disaster, contact your state unemployment insurance office to see if you qualify for unemployment insurance. Learn about additional available government disaster relief assistance from sites like FEMA.gov or from the Small Business Administration site if you're a business owner.