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# Life changes. So should your financial plans.

## Does your financial plan reflect your current circumstances?

Life events, like an adoption, can be joyous and planned. Or they can be stressful and surprising—like losing a job. But one thing is certain. We'll almost all face one or more of these situations at some point in our lives.

These big life event changes create new financial needs. And having a strategy in place can help you adapt your finances accordingly.

# Stay ahead of life's challenges

While everyone's life situation is unique, there are common strategies and tools that can help you be financially prepared for some of life's biggest challenges.

## Will and power of attorney

Your will lets the court know how you want to distribute your assets when you die. It can also address other important legal matters. Without one, the court will distribute your assets according to state law, which could be costly and time-consuming for your heirs.

Since most wills are straightforward—leaving assets to family members, naming a guardian for minor children, etc.—they're also relatively inexpensive.

Consider including a power of attorney. This gives a spouse, friend, or trusted family member the right to make financial decisions if you become incapacitated. Review your will every few years or after a life-changing event, such as a marriage or birth of a child.

## Living will and health care proxy

A living will lets you dictate your health care preferences if you become incapacitated. It's a set of instructions letting family members and health care providers know what care you want to receive if you're in an unresponsive state. Having a medical directive like this can help minimize conflicts between your spouse, parents, and medical staff.

A living will should be accompanied by what's known as a health care proxy. This is a type of medical power of attorney given to a spouse,

family member, or friend, allowing them to make any and all medical decisions not explicitly covered in the living will.

You don't need a lawyer to complete a health care proxy. Forms can be found online, completed, and filed. Forms vary from state to state, so make sure you complete one for the state you live in. Some states may require you to sign in front of witnesses and to have the form notarized.

## Life insurance

A general guideline for life insurance is to have at least five times your annual income. But the actual amount you'll need will depend on the future financial needs of your dependents, as well as what other assets you may have available.

### Life insurance comes in two basic types:

- **Term-life:** Covers your life for a specified period of time, like 20 or 30 years. A death benefit is paid to your beneficiary(ies) if you die during that time.
- **Permanent:** Provides a death benefit to your beneficiary(ies) if you die, but also allows you to build cash value over time which you can access during your lifetime—either through a payout or by borrowing against your policy.

## Disability insurance

Disability insurance can replace a portion of your income and help you continue to pay your bills. This can be crucial if an accident or serious illness prevents you from working for months or even years at a time. Many employers offer disability coverage as an employee benefit, so find out what you already have in place.

# What is a life event?

These are some of the most frequently occurring life events that may require adjustments to your financial situation.

**This is not a complete list. You should consult with your financial professional any time a change in your life impacts your financial situation.**

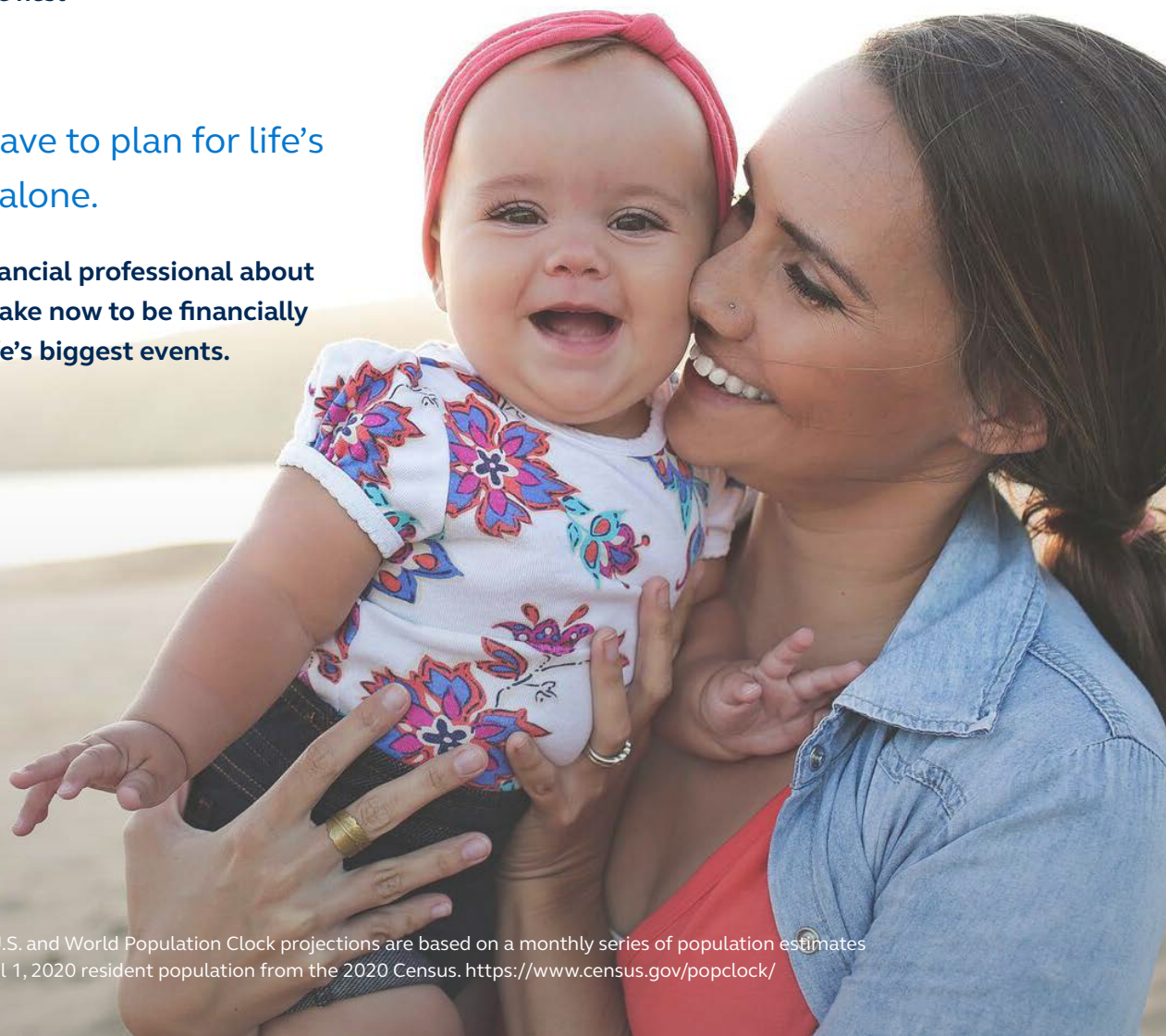
- ☐ Getting married
- ☐ Having or adopting a child
- ☐ Buying or selling a home
- ☐ Changing jobs
- ☐ Getting a divorce
- ☐ Caring for an aging family member
- ☐ Coping with the death of a family member
- ☐ Emptying the nest
- ☐ Retiring



There's one birth every 9 seconds and one death every 10 seconds.

You don't have to plan for life's challenges alone.

Talk to your financial professional about steps you can take now to be financially prepared for life's biggest events.





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