

# Has Your Life Gone Off Course? A Financial Advisor Can Help.

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**Sometimes we roll through life only to be hit broadside by a life event.**

**Bam!**

**Our life is now amok.**

A life event is one that can arrive without warning or materialize over time. It can be a marriage, new job, illness, the birth of a child, or the death of a loved one. Life events are significant turning points in a person's life, in the roles and activities they are encouraged to adopt, and with the groups they interact.<sup>1</sup> They can also be associated with changes in attitudes and values.

Life events can affect you financially for the good or the bad.

Since life events may arrive without warning, it is important to plan for them. And although you cannot plan for

exactly what may come, you can prepare for the probability of a setback. An emergency fund is precisely for that. This type of savings can help cover a job loss, illness, or be what is needed to get you back on your feet again. Most financial advisors will recommend having at least six months' worth of expenses set aside for emergencies, and that the funds are held in an account that is liquid and readily available. To give you more options, a financial advisor may also suggest having a line of credit to access in addition to, or in replace of, an emergency fund.

There are other types of life events that may also be a qualifying event that changes your health insurance coverage. The most common qualifying events are the loss of health care coverage, a change in your household (such as marriage or birth of a child), or a change of residence. A financial advisor can help you plan for these and other life events through saving, investing, life, health, disability, long-term care insurance, and estate planning.

For reasons like these, it is essential to let your financial advisor know what is going on in your life. It is also important that you take care of yourself! The transition that you are experiencing, whether it is with work or in a relationship, is a change that will bring stress, and that could impact your physical and mental health. Coping with the changes that a life event brings can be more comfortable when you realize you have little control to change what is happening in your life. You may try to provide comfort to yourself with a large purchase and then validate it by telling yourself you deserve it. However, making sudden financial decisions during this time is not a good idea. Talking things through with your financial advisor and evaluating the pros and cons will help you maintain a rational state of mind.

Everyone experiences a life event, if not several, during their lifetime. A transition allows you to determine what your priorities are and may give you clarity on what is important in your life. As your goals change, your financial advisor is there to help you change course.

<sup>1</sup>Source: Dictionary of Sociology 1998, originally published by Oxford University Press 1998.

