



How Do I 'Disaster-proof' My Finances?

If a tornado threatened your home, would you have time to gather all your personal and vital documents while taking cover? If your house was on fire, would you know the value of everything damaged to report to your insurance company? Of course it's important to know how to physically protect yourself and your loved ones from disasters, and it's important to protect yourself financially, too. Follow these tips to ensure your documents are safe from the storm, making it easier for you to get back on your feet if disaster strikes.

- Collect important financial and personal papers and put original documents in plastic covers.
- Identify a single location, like a fire-proof box or safe-deposit box, to store these crucial papers.
- Make at least two copies of the box key: one for your home and one for another person, like a trusted friend or family member.
- Create certified copies of government-issued documents and store them with trusted family or friends.
- Stash some cash with your bank statements in case you can't access your account. Depending on the level of damage, computer networks and electricity may be down, so having cash on hand is beneficial.

In addition to those steps, consider completing a home inventory that documents all your possessions. This information will help you determine whether you have enough insurance coverage. In the event of a disaster, it'll also allow you to file claims quickly and convincingly.

- **Document everything.** Prepare a description of everything you own, from furniture and clothing to TVs and other electronics. List the purchase price (if you still have the receipt, attach a copy), approximate date and venue of purchase and warranty information, where applicable. Include any copies of assessments for jewelry, artwork or other valuables that have been appraised.
- **Choose your method of documentation.** You can create your record in any of three ways: in writing, in digital pictures or on your computer. Once you've completed the

inventory, keep a copy in a safe-deposit box and a copy with a trusted relative or friend who lives far enough away to be out of the range of disaster in your area.

Also, consider insurance coverage for specific weather disasters. If you rent, look into purchasing renter's insurance. If you're a homeowner, consider earthquake and flood insurance. Make sure you review your policy every year and ask questions if something doesn't make sense to you.

When disaster strikes, you shouldn't have to worry about your finances. These preventive measures will allow you to focus on physical and emotional recovery when you need to most.