

FINANCIAL BASICS CHECKLIST

Whether you have a little or a lot, managing money brings a lifetime of choices. The best financial plans revolve around five basic actions: save, spend, grow, protect and give.

SAVE

BUILD UP SAVINGS TO COVER YOUR GOALS TODAY AND AFFORD A COMFORTABLE TOMORROW.

- PICTURE YOUR FUTURE.**
Think about your goals for the future. Be specific and write them down; you'll be more motivated to save for them.
- ALLOCATE 20 PERCENT OF YOUR INCOME TO SAVING AND INVESTING.**
Even if you can't save 20 percent now, save as much as you can as early as you can. It's the only way to take full advantage of the power of compounding (earning interest on your interest). And within that 20 percent, make building an emergency fund your top priority; shoot for six months of living expenses in an account that's easily accessible.

SPEND

MANAGE WHAT YOU HAVE TO COVER WHAT YOU NEED, WHAT YOU OWE AND WHAT YOU WANT.

- CALCULATE WHAT YOU NEED.**
Plan to spend no more than 60 percent of your income on essential expenses, such as housing, insurance, transportation, utilities, loan payments and food.
- HAVE FUN!**
The remaining 20 percent of your monthly spend should be on nice-to-haves, like entertainment, dining out, clothes and gifts.

GROW

TO ACHIEVE YOUR GOALS, YOU'VE GOT TO SAVE IN A WAY THAT WILL ALLOW YOUR MONEY TO GROW.

- START EARLY - EVEN IF YOU START SMALL.**
As you think about saving and investing for the long term, such as retirement, here's something you'll want to keep in mind: The sooner you start saving, the more time you'll have to take advantage of compounding, which is earning interest on interest.
- GET EXPERT GUIDANCE.**
Work with someone who can help you invest in ways that match up with your tolerance for risk; align with your timeline; and support your goals for the future, such as saving for the down payment on a home, a child's education and your own retirement.

PROTECT

PROTECT WHAT YOU'RE WORKING SO HARD TO ACHIEVE.

- PROTECT YOUR PAYCHECK.**
Check your workplace disability income coverage. It probably has a cap on how much it pays if you became sick or injured. It is important to understand the coverage you already have to determine what else you may need.
- PROTECT YOUR LOVED ONES.**
Make sure your family will have the financial resources they need to maintain their lifestyle if you passed away. Consider getting enough life insurance to pay the mortgage, educate your kids and pay for final expenses. Plus, make sure you have a will and powers of attorney in place.

GIVE

SHARE YOUR MONEY WITH PEOPLE AND CAUSES THAT MATTER TO YOU.

- BE INTENTIONAL ABOUT GIVING.**
If giving is important to you, build it into your budget. Make it a line item that you fund each month, just as you would any other discretionary expense. You'll be able to give more confidently if giving is part of your overall financial plan.

GET STARTED NOW: ESTABLISH YOUR PRIORITY GOALS

My #1 financial goal for the short term (1-2 years from now) is:

My #1 financial goal for the medium term (3-10 years from now) is:

My #1 financial goal for the long term (11+ years from now) is:

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI (life and disability insurance, annuities, and life insurance with long-term care benefits) and its subsidiaries. **Northwestern Mutual Investment Services, LLC** (NMIS) (securities), subsidiary of NM, registered investment adviser, broker-dealer, member FINRA and SIPC.

29-5469-05 (0417)